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CHARLES A. STONEHAM & Co.

ESTABLISHED 1903

STOCK BROKERS

41 BROAD STREET - - - NEW YORK

Tonopah



IN MAY, 1900, James L. (Jim) Butler, a prospector with fame then unsung, discovered ore where is now the Tonopah Mining District in Nevada. Tradition has it that Butler's discovery was accidental. With no particular destination in view, he was prospecting the desert reaches of Southern Nevada and chanced to camp one night on what is now the Mizpah claim, owned by the Tonopah Mining Co. In the morning, as the story goes, Butler found that a burro he had tethered to a clump of sage-brush had up-rooted the brush in the night and wandered away. It was in the hole made by the up-rooting of this sage-brush that Butler first found indications of ore at Tonopah. However true this story may be, the fact stands that in May, 1900, Butler made an ore discovery here, staked out numerous claims and officially recorded his locations in August, 1900.

In December following there began a rush to the new find, the first of any real promise in Nevada since the days of the Comstock Lode. Jim Butler as the owner of many claims showing values, welcomed the new-comers, and allowed them leases on his properties. By June, 1901, thirteen months after the discovery, 112 leasers were working on the original locations. It was in this month—June, 1901—that Philadelphia capitalists, headed by the late John W. Woodside, purchased of Butler for \$336,000 the Mizpah, Sand Grass, Buckboard, Red Plume, Desert Queen, Valley View, Burro and Silver Top claims, comprising about 160 acres, being the claims on which these 112 leasers were at work. This property was incorporated as the Tonopah Mining Company of Nevada.

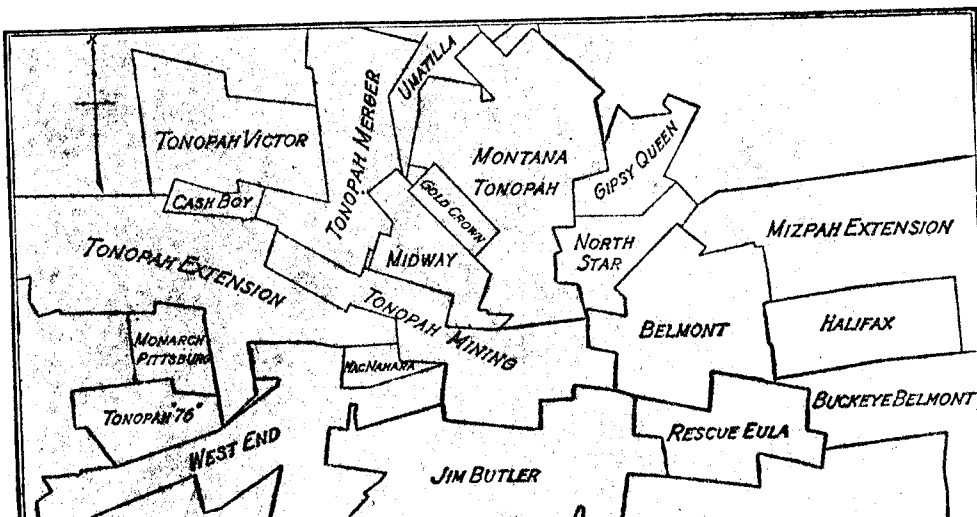
Since that epochal transaction, Tonopah Mining has produced about \$33,000,000 in precious metal values, distributed \$11,980,557 in dividends, and accumulated a net treasury surplus of \$3,975,353. In this period, the Tonopah District has produced \$70,000,000 in silver and gold, and companies operating there have paid or posted dividends aggregating \$19,677,893. In addition, these companies have accumulated treasury surpluses aggregating over \$6,000,000, which, with investments in mining and milling equipments conservatively valued at \$4,000,000, means a total of nearly \$30,000,000 saved to shareholders in thirteen years out of a gross production of slightly more than \$70,000,000. As the district enters upon its fifteenth year—its fourteenth year of organized operation—production averages more than 11,000 tons of ore weekly, of a general average gross value in excess of \$275,000, both tonnage and values, week after week, being at high points in the history of the camp.

This record is phenomenal. Except for some of the great properties of the South African Rand, one or two of the big low-grade gold properties on this continent, and some of the great copper properties, it is truly remarkable that a mining district should be maintaining production at record high-marks after fourteen years of steady encroachment upon ore resources. It is the history of most precious metal mining districts that exhaustion of payable ores is chronic long before such age is attained. This Tonopah record is most extraordinary, because the district at fourteen years of age gives no sign of climaxing its production. Because of the extension of the known ore zones in the district to the north, east, south and west of what were previously supposed to be well-defined limits, the potentialities of Tonopah are ratable higher at the present time than at any previous period in its history.

Following the organization of the Tonopah Mining Co., the 112 leasers on that property continued work until mid-night of December 31, 1901. During this period, leasers produced about \$3,500,000 in gold and silver values, production coming entirely from surface and near-surface workings, the deepest shaft having reached a depth of only 120 feet at the expiration of the leases. As a result of the remarkable showing on this property, the rush into Tonopah during 1901 developed big proportions. Ground was taken up for miles to either side of Jim Butler's original discovery. Hundreds of companies were organized and began work. As operations settled to a steady basis only a few of these companies survived. Of these, seven paid dividends prior to the collapse of the Nevada mining boom in 1907. These were Tonopah Mining, Tonopah Belmont, Tonopah Extension, Tonopah Midway, Montana-Tonopah, MacNamara and Tonopah Alpine. In this period—from the organization of the Tonopah Mining Co. to mid-summer, 1907—the Tonopah Mining Co. had constructed the Tonopah & Goldfield Railroad, extending from Mina to Goldfield, and Tonopah Mining, Tonopah Belmont and Montana-Tonopah had erected milling plants. Goldfield had been discovered, and, with the development of its great bonanzas, enjoyed a boom far surpassing that at Tonopah, its fame completely eclipsing that of the older district.

On the collapse of the boom, Tonopah Mining, with mine, mill and transportation facilities, was in position to carry on operations uninterruptedly. Other companies of the district found themselves in a bad way. Treasury resources, both cash and stock, had been exhausted. Mining securities were no longer readily marketable. What followed was inevitable. Tonopah settled into rank as a one-mine camp, Tonopah Mining alone continuing as a successful operating enterprise. Neither Tonopah Belmont, with its sixty-stamp mill at Miller's, nor Montana-Tonopah, with a forty-stamp mill on its property in the camp, had ore supplies sufficient to keep its plant in really profitable operation, and both mills were operated largely on custom ores.

By Fall of 1907 discouragement as to the future of Tonopah, with the single exception of Tonopah Mining, came to be almost universal. Work in the district seemed fully to confirm conclusions reached by J. E. Spurr, an eminent geologist who, about 1905, made an exhaustive report on ore deposits of the Tonopah District for the United States Geological Survey. In this report, Mr. Spurr declared that the Mizpah Fault, traversing the district from northwest to southeast and crossing the Tonopah Belmont property fewer than 200 feet east of eastern boundary of the Tonopah Mining estate, absolutely fixed the limit of ore deposition in the district, and that no values would ever be found east of this fault. Meanwhile, operations of the Tonopah Mining Co., disclosed that at about the 700-foot level



TONOPAH
Key Map Showing Relative Location of
Principal Properties
For details, see Individual Property Maps in Text

TONOPAH: ——— Past, Present and Future

the veins bottomed against a mass of dacite; and it came to be the established opinion of geologists and mining experts that this occurrence of dacite marked the extreme depth to which ore could be followed in the district. In the circumstances, there was little of an aggressive character connected with development operations in Tonopah in the period from mid-summer 1907 until well toward the end of 1909.

Conditions were transformed during the Winter of 1909-1910. Early in 1909, the management of Tonopah Belmont decided to drive a crosscut eastward through the Mizpah Fault and explore the ground in the eastern portion of the company's acreage—ground that according to Geologist Spurr always would be found barren. In December, 1909, when the heading of this crosscut had been advanced 1200 feet from the old western workings, there was encountered what has since proved to be the richest and most productive ore deposit in Tonopah, the truly world-famous Belmont Vein. By May, 1910, Tonopah Belmont was marching with steady stride toward the greatness it has since attained. Between December, 1909, and May, 1910, the new Belmont shaft was sunk. Exploratory work confirmed early impressions of the magnitude of the Belmont Vein, and disclosed the existence of another rich paralleling vein. Ancient geological theories regarding the limiting of the ore zone by the Mizpah Fault being thus exploded, the management of many of the companies owning ground adjacent, or in close proximity to the Tonopah Mining and Tonopah Belmont properties began to plan new financing and a resumption of active development.

The Tonopah of today really dates from Belmont's discovery of ore east of the Mizpah Fault. Since that discovery, Tonopah Extension, then all but an abandoned enterprise, has climbed into rank as one of the great mines of the district, with potentialities to be rated as high as those of Tonopah Belmont when development in that property was at a corresponding stage. Control of Jim Butler has been acquired by interests dominant in Tonopah Belmont, and the Jim Butler property has been developed into a remarkable profit-earner. West End Consolidated, from an almost despised prospect, has acquired proportions that permit it to send 225 tons of ore daily to its own mill, to maintain its stock on a dividend basis, and to boast of reserves that are exceeded only by those of Tonopah Belmont and, possibly, Tonopah Extension. The North Star and Rescue-Eula companies have been re-organized in commercial grade ore. Mizpah Extension has been re-financed and successfully prosecuted that each is now operating in commercial grade ore. Mizpah Extension has been re-financed and its property is being subjected to most aggressive exploitation. The old Golden Anchor property, once sold for debt, has been rescued and re-organized under the name of Tonopah Merger, and in this property there has been opened up a lode of remarkable proportions, disclosing three distinct veins of commercially profitable ore. Montana-Tonopah has operated with such success as to have discharged a mill debt that once threatened it with bankruptcy, to have paid dividends and to have broadened its operations by acquiring a great low-grade gold property in Arizona. The Golden Crown, Cash Boy and Monarch-Pittsburgh companies have been re-organized and their properties brought under aggressive development, with present indications of the early achievement of success in mining operations. Halifax-Tonopah has made a mine and is now planning construction of its own mill. Tonopah Midway has continued its operations, and, encouraged by developments in Merger ground, has sunk a new shaft in the northern part of its acreage to a depth of 1200 feet, and is now engaged in lateral exploration for the easterly extension of the Merger Lode. Patriotic operators of Tonopah last year purchased an enormous acreage lying north of the Tonopah Extension and west of the Tonopah Merger properties, and out of this purchase created the Tonopah Victor Co. This company now has its shaft at a depth of 1550 feet and is engaged in crosscutting for the westerly extension of the Merger Lode. Other lesser properties of the district, like Buckeye Belmont, Tonopah Nevada, and Tonopah Queen and Liberator, are under active development, the money necessary for exploratory work being easily obtainable, so great is the optimism that prevails with respect to ore possibilities at all points in the district.

In these four-and-a-half years since Belmont opened ore east of the Mizpah Fault, every geological theory founded upon the Spurr conclusions has been shattered. Belmont, Halifax, Rescue-Eula, Tonopah North Star and Mizpah Extension are proving the tremendous possibilities of ore deposits in the eastern portion of the district. Tonopah Jim Butler and West End Consolidated are demonstrating by increasing tonnage outputs the possibilities of ground lying well to the south of the Tonopah Mining Co.'s estate. Tonopah Extension has proved the extension of the payable ore zone for thousands of feet west of the most westerly workings of Tonopah Mining, while development in the Tonopah Merger property has demonstrated that possibilities in the northern section of the district are quite as great as are those to the east, to the west, or to the south.

Co-incidentally with this development of new ore deposits, expansion of reduction facilities became imperative. Today the camp boasts seven mills, with two more in early prospect. These mills include the Tonopah Mining and Tonopah Belmont plants at Miller's and the Montana-Tonopah mill at Tonopah, all erected prior to 1907. Since Belmont's great discovery, that company has erected a new 60-stamp mill adjacent to the Belmont shaft; Tonopah Extension has provided itself with a 30-stamp plant, just enlarged to 225 tons daily capacity and soon to be further enlarged to 300 tons capacity; West End has taken over the old Midway mill and twice enlarged capacity until it now handles 225 tons daily. MacNamara has an 85-ton mill now operating largely on custom ore, and Tonopah Merger and Tonopah Victor, in association, and Halifax-Tonopah, now contemplate the erection of milling plants.

It is in these newer properties that there lies the prospect that before the last mine in Tonopah shall have been worked out the camp's record of production, now standing at close to \$70,000,000, will show a total of \$150,000,000, and that we find assurances that for another fifteen years Tonopah will boast of dividend-payers among such companies as Jim Butler, West End, Tonopah Extension, Tonopah Merger, and, in all likelihood, others as yet undreamed of as possible additions to the producing or dividend-paying class.

It is the story of these newer Tonopahs and the greater Tonopah that we present here.

TONOPAH MINING

THE story of the creation of the Tonopah Mining Company of Nevada has been told so often that it is necessary here only to sketch it. Jim Butler had located the eight claims comprising this property in August, 1900. In May, 1901, Oscar A. Turner was manager at Grass Valley, California, for a mine owned by John W. Woodside, of Philadelphia. John F. Anderson, a mining engineer associated with Woodside, visited Grass Valley in May, 1901, and while there read for the first time of the new camp of Tonopah. Anderson suggested that Turner go to Tonopah and investigate. Turner visited the district, investigated the new discoveries, and purchased these eight claims, on which 112 leasers were operating. He agreed to pay Butler \$336,000 for the property, and drew a sight draft on Mr. Woodside for the first payment of \$50,000. The draft was protected by Woodside and Anderson, and the Tonopah Mining Company was incorporated under the laws of Delaware in June, 1901, with preferred stock representing the purchase price of the property, 1,000,000 shares of common stock going with the preferred as a bonus.

TONOPAH: Past, Present and Future

Leasers remained in possession of this property until midnight of December 31, 1901. During their tenure they took out approximately \$3,500,000. Operations were conducted under most adverse conditions. It was 65 miles to the railroad at Sodaville, and ore had to be of very high-grade in order to stand the charges. These included \$14 a ton for the wagon-haul to Sodaville, an average of \$10 a ton in railroad freight charges, and from \$16 to \$18 a ton for smelter charges. On this production Tonopah Mining received a royalty of 25 per cent of the net values, and besides its revenues from this source is credited with a production on its own account to the end of the calendar year 1901 of \$254,231.

Recognizing the necessity for adequate transportation facilities, the management of Tonopah

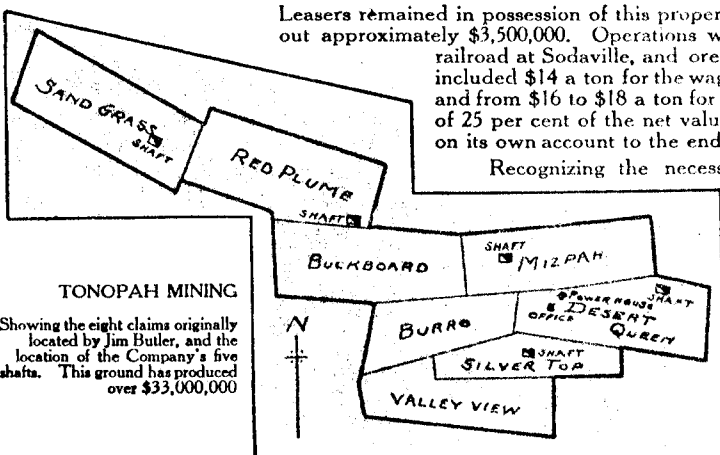
Mining constructed a standard gauge railroad connecting the new district with the Southern Pacific branch extending from Hazen, Nevada, to Keeler, California. Later this road was extended to Goldfield, and is now known as the Tonopah & Goldfield Railroad, operating a total of 110 miles of track. Of its capital of \$1,650,000 common stock, Tonopah Mining owns shares of the par value of \$988,700; of the \$500,000 7 per cent preferred, the mining company owns \$283,400 par value.

With the construction of this railroad began the real productive era of Tonopah, as is evidenced by the fact that in 1905 there were seven shipping properties in the camp, whereas prior to that time Tonopah Mining had been the only incorporated company to record shipments. Success had been achieved by the Tonopah Mining Co. prior to the completion of the railroad; but with adequate transportation

facilities, the property settled to regular strides in production, and dividends on the stock were established April 22, 1905, with an initial disbursement for the quarter ended on that date of 25c. a share. Previously, in February, 1905, out of accumulated profits, the company had retired its issue of preferred stock at a total cost of \$380,557.51. Since dividend No. 1 was paid April 22, 1905, Tonopah Mining has distributed 35 dividends, the rate ranging from 25c. to 40c. a share quarterly. The current rate is 25c. a share quarterly, the last payment bearing date of April 21, 1914, and the total of disbursements on the common stock being \$11,600,000. The grand total of dividends, including the amount paid for the retirement of the preferred stock, is \$11,980,557.

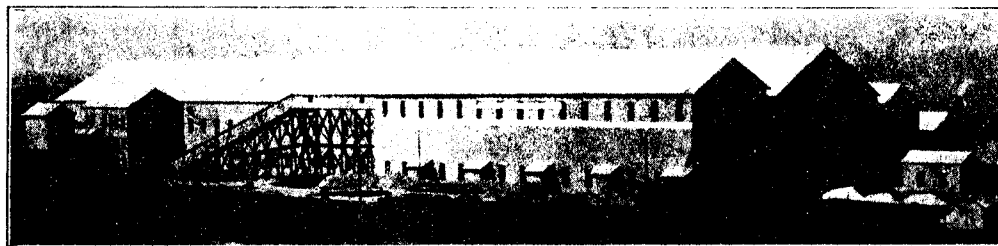
Ground of the Tonopah Mining Co. is opened by five shafts, the Desert Queen, Mizpah, Valley View, Red Plume and Sand Grass. The deepest of these, the Mizpah, is bottomed at 1500 feet, having been sunk through the dacite in 1909-1910 in the hope of developing commercial ore below the intrusion. Lateral operations never have been carried on at extreme depth, however, the entire tonnage produced by the property, resulting in the realization of more than \$33,000,000 in values, having been made from and above the 700 level. The next deepest shaft, the Sand Grass, has recently been sunk from the 550 to the 1000 level, to open up in the western portion of the company's property—a section which is still virgin territory—the extension either of the Tonopah Merger lode system, or of the great Murray Vein as opened in Tonopah Extension. Payable values have not yet been found at this depth.

At the end of the last fiscal year, February 28, 1914, development in this company's property, consisting of shafts, drifts, crosscuts, winzes and raises, totalled more than 34 miles of underground openings. Production from the property has been carried on steadily since 1907 at a rate to yield better than \$3,000,000 gross yearly, the high point having been reached in 1907, when the total was \$3,553,900. Production, including waste, runs about 200,000 tons yearly and the



TONOPAH MINING

Showing the eight claims originally located by Jim Butler, and the location of the Company's five shafts. This ground has produced over \$33,000,000



TONOPAH MINING

The photograph shows the Company's 100-stamp mill at Miller's Siding, 19 miles from the mine, which has been operated since 1906, recovering over \$28,000,000 in values

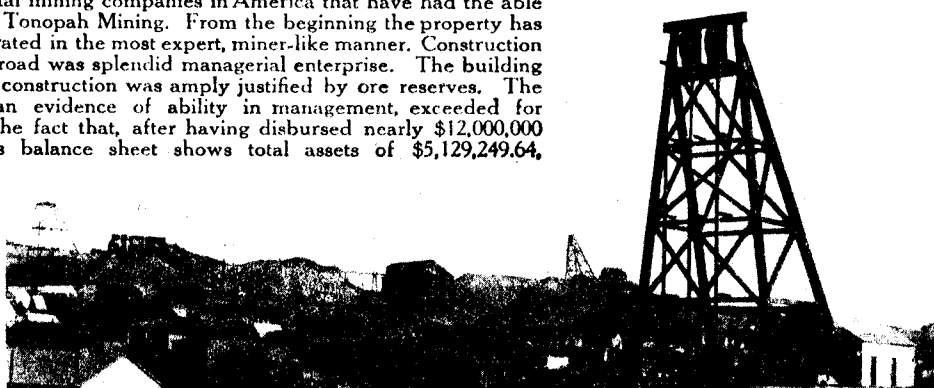
company mills approximately 165,000 dry tons of ore annually in its great 100-stamp mill, which was completed at Miller's Siding, 19 miles from the mine, in 1906. This mill employs the concentrating, leaching and sliming processes, handles an average of 400 tons of ore daily, the ore averaging close to \$18 per ton, and makes an extraction of approximately 87.5 per cent of the combined gold and silver values. Year-in and year-out, costs average about \$7.50 a ton, all charges included.

After having maintained this phenomenal production for seven full years, besides operating on high-grade ores for six years prior to the completion of its milling plant, the management of Tonopah Mining reported, as of February 28 last, demonstrated reserves remaining in the property amounting to 172,761 tons, of an estimated value of \$2,475,795. Besides these positive values, there are potentialities of importance in the Sand Grass claim, and, since the end of the company's fiscal year, important additions have been made to reserves through the development of the extension of the West End Vein through the Red Plume workings. While, therefore, it may appear on the face of things that Tonopah Mining has ore reserves equal to only one year's mill requirements, the history of the property justifies the conclusion that profitable operations will be continued for several years to come, new ore being almost certain of development through the old workings, as well as in the less-thoroughly exploited portions of the ground, and at greater depths than have been attained.

There are few precious metal mining companies in America that have had the able management always enjoyed by Tonopah Mining. From the beginning the property has been opened, equipped and operated in the most expert, miner-like manner. Construction of the Tonopah & Goldfield Railroad was splendid managerial enterprise. The building of a mill was deferred until its construction was amply justified by ore reserves. The company's dividend record is an evidence of ability in management, exceeded for importance, probably, only by the fact that, after having disbursed nearly \$12,000,000 to shareholders, the company's balance sheet shows total assets of \$5,129,249.64, against which there were chargeable on February 28 last liabilities of only \$153,896.23, leaving the gigantic total of

TONOPAH MINING

To the right, the Company's Red Plume shaft; to the left, the Mizpah head-frame, and to the left of the Red Plume, the Valley View head-frame appears against the sky



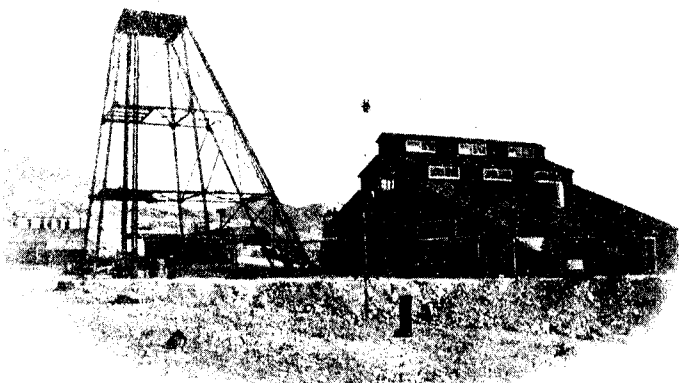
TONOPAH: ——— Past, Present and Future

\$4,975,353.41 in assets to stand against the company's \$1,000,000 capital. These assets are of a remarkable character. Through persistent charging off for depreciation during a long term of years, the company's mining property, plant and betterments, and its mill, are carried on the balance sheet at a total valuation of only \$565,529. The remainder of more than \$4,400,000 in assets is made up of interest-bearing investments in standard railroad and public utility bonds, call loans on collateral, enormous sums in cash, and balances due from smelters on ore shipments.

The ultimate employment of this huge excess of assets over current liabilities and capital stock, amounting to the equivalent of \$4.97½ per share on capital, has not been determined; but without dissipating this treasury reserve the company has entered upon a policy of expansion that promises to prolong its corporate existence and dividend-paying life indefinitely. During 1913 Tonopah Mining acquired a great proved gold dredging proposition at Breckenridge, Gilpin County, Colorado. This property consists of 5300 acres. Tests show the gravel can be worked to a depth of 40 feet, and is worth on an average 25c. per cubic yard. There were three dredges on this property at the time it was acquired, and these are now in operation, the management calculating net earnings from their employment at \$30,000 monthly. It is planned ultimately to equip this property with not less than 12 dredges, and at the recent annual meeting of the Tonopah Mining Co. the statement was officially made that by the end of the present calendar year this property should be yielding splendid net profits to the parent company. This tremendously potential asset was acquired for a cash outlay of \$240,000, in return for which Tonopah Mining secured all of the stock of the Tonopah Placers Company, capital \$1,000,000, which is the operating company. Tonopah Mining also has under option for one year a promising low-grade gold property located in Nicaragua, and has started development work to determine the extent and character of the ore, and the advisability of consummating its purchase.

The policy of the Tonopah Mining Co. is to maintain its treasury surplus at around the \$4,000,000-mark, and at the same time extend its operations by the acquirement and operation of new properties, so that dividends on its own capital may be continued in practical perpetuity. Among all the precious metal mining securities of the world, none rank higher for investment qualities than do those of the Tonopah Mining Company.

TONOPAH MINING CO.—Incorporated, 1901, in Delaware. Capital, 1,000,000 shares. Property consists of the original Butler group of eight claims in the Tonopah District, Nevada. Company owns also the Tonopah Placers Co., owning a great low-grade placer property in Gilpin County, Colorado, a 100-stamp mill, and control of the Tonopah & Goldfield R. R. Officers: J. S. Austin, President; J. Harvey Whiteman, Vice-President; J. E. Spurr, Second Vice-President and Advising Engineer; C. A. Higbee, Secretary and Treasurer; W. W. Charles, Comptroller; W. H. Blackburn, Mine Superintendent; A. R. Parsons, Mill Superintendent. Registrar of stock: Fourth Street National Bank, Philadelphia, Pa. Principal office: 572 Bulletin Building, Philadelphia, Pa. Dividends: Last paid in April, 1914, at rate of 25¢ per share quarterly. April, July, October, January. Price record on stock: 1907—high \$19½, low \$4; 1908—high \$9, low \$3½; 1909—high \$8, low \$3½; 1910—high \$7½, low \$5½; 1911—high \$8¼, low \$6; 1912—high \$7¼, low \$4½; 1913 to May 1—high \$7½, low \$6.



TONOPAH MINING

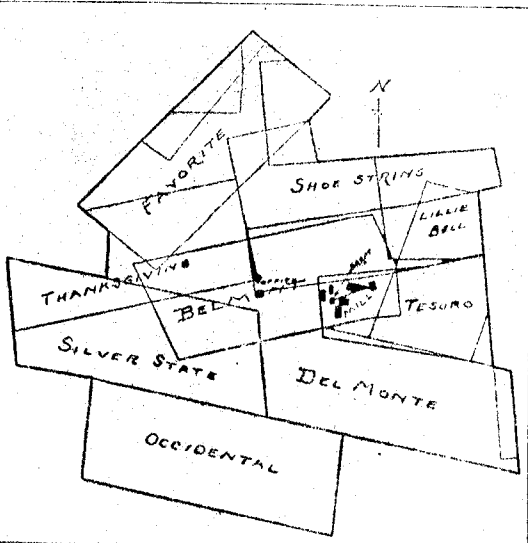
The photograph shows the Company's Mizpah shaft head-frame, hoisting plant and machine shops. This was the first steel head-frame erected in Tonopah.

TONOPAH BELMONT

THIS company first attracted attention in 1906, when its shares made a sensational advance from below par, \$1, to a high record of \$7½ a share. This advance followed the discovery of rich ore in the extreme western portion of the company's property, west of the Mizpah Fault. From this discovery there was made a production which enabled the company to distribute \$518,002.80 in dividends up to April 1, 1907. Misled by this discovery, and in the belief that it had a rich and permanent mine, the company in 1906 authorized an increase in capital of 1,000,000 shares, of which 500,000 shares were offered, pro rata with existing holdings, to shareholders at \$3 per share. The proceeds of this new stock issue were largely used to defray the construction at Miller's Siding, 19 miles from the mine, of a 60-stamp mill, equipped with concentrating, leaching and sliming devices. Scarcely had this mill been completed when the ore was lost against the western wall of the Mizpah Fault. All efforts to recover it proved unavailing. The result was a series of lean years for the Belmont Company. A small production was maintained from the company's own workings, but the expensive new mill operated in the main on custom ore, and Belmont lived from hand-to-mouth, its treasury reserve falling as low as \$90,000 and its borrowing capacity being practically nil.

The change in Belmont affairs came in December, 1909. Then, as now, H. C. Brougher was the principal stockholder in the company, and, being one of the pioneers of the Tonopah District, his counsel had great weight with the officials of the company. Mr. Brougher held that, the Spurr theories to the contrary notwithstanding, ore might be found at depth east of the Mizpah Fault. This view was shared by S. H. Brady, then manager of the company's operations at Tonopah. Directors of the company assenting, arrangements were made early in 1909 with the Tonopah Mining Company for Belmont to use the former company's Desert Queen shaft for the purpose of extending a cross-cut eastward through the Mizpah Fault, into what was supposed to be the barren areas of Belmont ground.

This work was pushed forward as rapidly as possible, with the result that early in December, when Belmont stock had declined to 62½c. a share, the cross-cut, with the heading 1200 feet east of the old workings and several hundred feet beyond the Mizpah Fault, encountered the great Belmont Vein. Lateral work in the exploration of this vein quickly demonstrated it to be of great extent and richness, and it became necessary to construct what is now known as the Belmont shaft, located on the Belmont claim approximately 2000 feet west of the Desert Queen shaft. This shaft was constructed in record time, resort being had to both sinking and upraising,

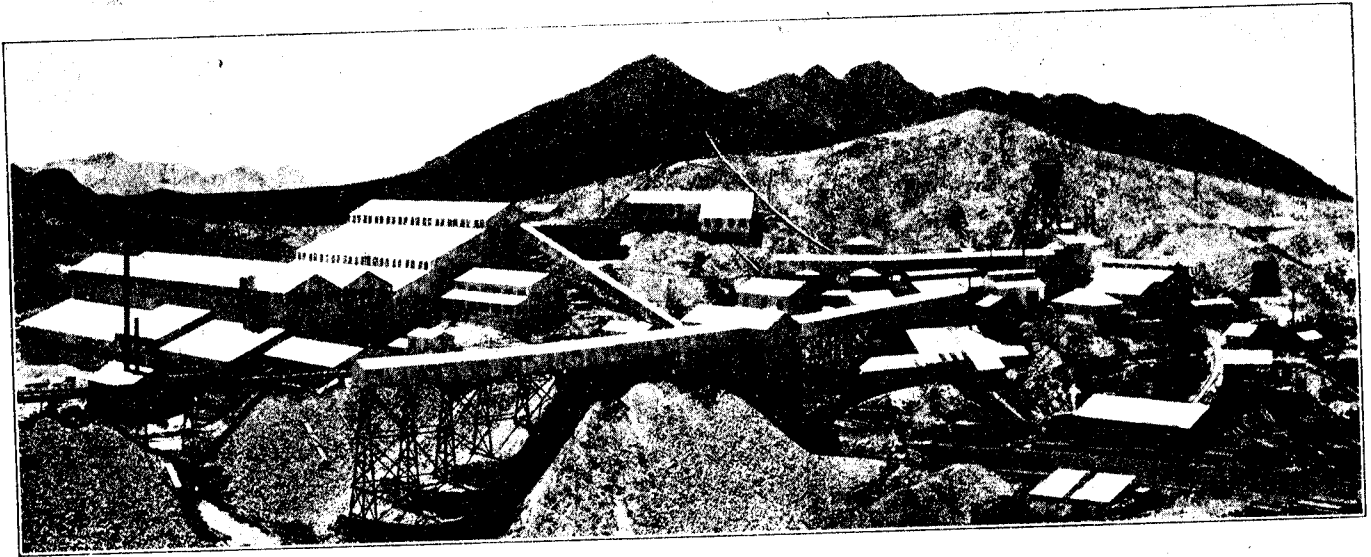


TONOPAH BELMONT ESTATE

Showing claims and location of Belmont shaft and of the mill

TONOPAH:

Past, Present and Future



TONOPAH BELMONT

The photograph shows the Belmont Shaft at the right, with conveyors carrying ore to the mill at the left, and, in the foreground, belt-conveyor to waste dump. Mt. Oddie in the background.

and was completed to the 1065-foot level by May, 1910, when the bottom of the working dropped squarely onto the bonanza Belmont ore shoot. Previous crosscutting to the northward from the long crosscut had opened up another new vein, and six months after the discovery east of the Mizpah Fault, it was estimated that the two veins could be depended on for 240,000 tons of ore of an average gross value of \$35 a ton.

In May, 1910, with the new shaft ready for operations, custom ores were excluded from the old Belmont mill, and the plant began operating steadily on the company's own ore. In these six months, shipments from the new discovery direct to smelters had yielded such net profits that the company's treasury surplus had been built up from practically nothing at the time of the discovery to \$375,000; and Belmont stock rose from 62½c. to \$4½ per share. Operations continued steadily in the new ore deposit during 1910, the total production that year being 36,930 dry tons of ore, of an average gross value of \$17.99 per ton. Of this production 29,858 tons of ore, averaging \$14.40 a ton, were treated at the company's mill, and 7032 tons, averaging \$34.89 per ton, were shipped to smelters.

Improvement in Belmont's treasury condition was so marked as a result of this development that dividends on the stock were reestablished October 15, 1910, when dividend No. 5, at the rate of 15c. a share, was posted and paid as a regular quarterly disbursement. In 1911, Belmont, with a record of \$2,507,320 in values produced during 1910, mined a total of 81,066 dry tons of ore, of an average gross value of \$34.93. Of this production, 59,159 tons went to the company's old mill, these shipments averaging \$27.58 per ton, while 21,907 tons, of an average value of \$54.76 per ton, were shipped to smelters. Total production in 1911 was valued at \$3,410,921, and the company, after paying dividend No. 6, on January 1, 1911, at the rate of 15c. a share, advanced the quarterly rate to 25c. per share, with dividend No. 7 maturing April 1, 1911. This rate of disbursement has been made regularly each quarter since that time.

From the date of the discovery east of the Mizpah Fault to the present time there has been no cessation in production or development, operations in the Belmont property being carried on more aggressively than in any property in the Tonopah District. In these newer workings, to which operations are now confined, the ore has been opened from the 1000 level down to the 1620 point, the latter being the deepest working in ore in Tonopah, and, except on the Comstock Lode, the deepest productive working in the State of Nevada. A total of approximately 20 miles of openings have been completed in the Belmont shaft workings, and this development has resulted in the disclosure of six great veins, besides the great Belmont deposit, these being known as the Lillie Belle, Shaft, Favorite, Mizpah Fault, Middle and Thanksgiving veins. While all of these veins are proving splendidly under development work, the Belmont Vein remains the principal ore asset of the company, although it is by no means improbable that, as lateral work is extended and greater depth gained, some of these other veins may prove to be fair rivals of the great bonanza deposit.

Early in 1911 it became apparent, upon considerations of economy, that Tonopah Belmont required greater milling facilities than were provided by the Miller's plant. It was therefore determined to build a 60-stamp plant at the mouth of the Belmont shaft. This work was undertaken and carried to completion by August, 1912, the new mill costing \$468,564, the whole expense of its construction being charged against the cost of operations in the years 1911-12. While the new mill was under construction, and for some little time after it was placed in commission, or until it was thoroughly tuned up, Belmont continued the production of both milling and smelting grade ores, shipping 87,952 tons, of an average value of \$20.84 a ton, to mills in 1912, and 27,611 tons to smelters, these smelter shipments averaging \$61.35 a ton in value. Total production that year was 115,563 tons, of an average gross value of \$30.51, or a total of \$3,526,827. Beginning with 1913, Belmont practically suspended shipments to smelters, its total output of smelting grade ore in that year being only 562 tons, out of a total of 129,537 tons, of an average gross value of \$24.34, produced by the mine. In the fiscal year ended February 28, 1914, no ore at all was shipped to smelters, the total production, 172,646 dry tons, of an average of \$21.07, being handled at the company's new mill. This 1914 production of ore resulted in the production of 56,067 ounces of gold, sold for \$1,158,980, and of 5,142,083 ounces of silver, sold for \$3,040,135, the company's total receipts from ore sales, after deducting treatment charges, assaying, freight and smelter charges, being \$4,081,016, and the company's net earnings, after defraying all charges, being \$2,015,588, which compares with \$1,773,226 earned in the preceding year.

At the end of the last fiscal year, February 28, Tonopah Belmont's operations had been reduced to a splendid level of efficiency and economy. On the total production of 172,646 tons of ore, of an average gross value of \$24.34, operating costs, which item includes losses in tailings, smelting losses on concentrates, and all mining, milling, transportation, marketing and administrative expenses, averaged only \$8.96 per ton, leaving the average net profit \$13.74 per ton. The wisdom of erecting the new mill was emphatically demonstrated last year—the first full year of the plant's operation—

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in the recovery of 94.443 per cent of total values in the ore, in a reduction in milling costs from an average of \$3.444 per ton to \$3.049 per ton, and in a total saving on ores treated to the end of the last fiscal year, over and above what would have been possible under old conditions of operation, of \$493,342, or \$24,777 more than the total cost of the plant. Besides, this new plant, which ranks as one of the most perfect reduction plants in the world, Belmont still owns the old plant at Miller's, and this operated last year on 48,088 tons of custom ore, yielding the Belmont Company a profit from tolls of \$38,546.

In the four-and-one-half years that have elapsed since ore was discovered east of the Mizpah Fault, Belmont has not only made a production in excess of \$14,000,000, bringing the total since the organization of the company to considerably more than \$17,000,000, and provided itself with a splendid new mill and perfect surface equipment, but has distributed \$5,800,000 in dividends, and built up its treasury surplus until at the end of the fiscal year, February 28, undivided profits available for the payment of dividends or otherwise totalled \$2,126,763. Of this sum \$1,535,129 was held in the form of cash, collateral loans and sums due from smelters.

On top of all of this record of four-and-one-half years of almost unrivalled success, the last annual report of the Belmont Company shows that at the end of the fiscal year ore reserves, including positive, probable and possible ore, totalled 521,117 tons, the report significantly stating that these reserves are of such unusual high average value as to be of much greater importance than is indicated by the mere statement of tonnage totals. Since the close of the fiscal year Belmont, while maintaining production at the regular rate, has added heavily to reserves by opening the Belmont Vein on the 1620-foot level, where it shows as strong and as rich as on the upper levels, and, also, by the further development of positive ore in other veins.

The result is, that from an almost hopeless, badly managed enterprise of five years ago, Belmont has been transformed until it stands today one of the remarkably successful precious metal mining companies of the world; its property perfectly equipped with every necessary mining appliance; its two mills marvels of metallurgical engineering; its treasury splendidly fortified by the possession of cash assets totalling the equivalent of more than \$1 a share on capital, and insight ore sufficient to continue production at the current rate for more than three years, with constant additions being made to these reserves.

Like Tonopah Mining, the management of Tonopah Belmont, able and conservative, does not mean that the time ever shall come again when the company shall be allowed to fall upon lean years. With this end in view, the management of Tonopah Belmont has entered upon a policy of expansion, recently taking an option on the Surf Inlet gold mining property, located in the Skeena mining district of British Columbia, on the coast, about 100 miles south of the new seaport, Prince Rupert. This property, in which all the values, averaging \$7, are in gold, looks very promising, and under the skilled management of Tonopah Belmont operating officials, gives promise of developing into a great producer of profits from low-grade ores. Under the terms of the option Tonopah Belmont makes no cash outlay because of this acquisition until July 1, 1915, when, should it elect to exercise its option, a payment of \$150,000 will be made, the present owners of the property retaining a 20 per cent stock interest in the company that will be organized to own and operate the property. Plans are now making for beginning the development of this property, for which a great mill will be required should its purchase be consummated. To the construction of such a mill some of Tonopah Belmont's huge treasury surplus necessarily will be devoted. The company's policy is to distribute dividends as a matter of policy, its intention to distribute in the form of special dividends all surplus funds above \$1,000,000 as they are accumulated. Following this policy two special dividends, each of \$1 a share, already have been paid, the first having been paid November 15 of last year, and the second May 1 of this year.

Tonopah Belmont, with the continual development of new ore bodies, is in the position occupied by Tonopah Mining several years ago before the ore reserves in its Tonopah property began to show actual exhaustion. The company has lying before it many years of highly successful operation in Tonopah District. The possibilities of its recently optioned property in British Columbia are very great. Its treasury position is exceptionally strong, and its securities rank very high among the sterling mining investments of America, and while so ranking as investments, carry very broad possibilities from a speculative point of view.

TONOPAH BELMONT DEVELOPMENT CO.—Incorporated, 1902, in New Jersey. Capital, 1,000,000 shares, increased 1906 to 2,000,000 shares authorized, 1,500,000 shares issued. Authorized capital later reduced to 1,500,000 shares by the cancellation of 500,000 treasury shares. Authorized and outstanding 1,500,000 shares, par value \$1, full paid. Property consists of 11 full and fractional claims, located at the heart of the Tonopah mining district, Nevada. Company owns also an option on an 80% interest in the Surf Inlet gold mining property, in the Skeena mining district of British Columbia, and two 60-stamp mills, one at Miller's, Nev., and one at Tonopah. Officers: Clyde A. Heller, President; William M. Potts, Vice-President; K. Kito, Secretary and Treasurer; Robert G. Wilson, Assistant Secretary and Assistant Treasurer; C. Berkeley Taylor, General Counsel; Frederick Bradshaw, General Superintendent; C. Duchesneau, Auditor; T. F. M. Fitzgerald, Superintendent of Mines; A. H. Jones, Superintendent of Mill. Principal office: 501 Bullitt Building, Philadelphia. Dividends: To May 1, 1914, \$6,143,002.80; current 25c. per share quarterly; April, July, October and January, with occasional bonuses. Price record on stock: High, prior to 1909, \$7½; 1909—high \$13½, low 62¼c.; 1910—high \$49½, low \$11½; 1911—high \$84½, low \$41½; 1912—high \$11½, low \$7½; 1913—high \$9, low \$5½; 1914 to May 1—high \$8½, low \$6½.

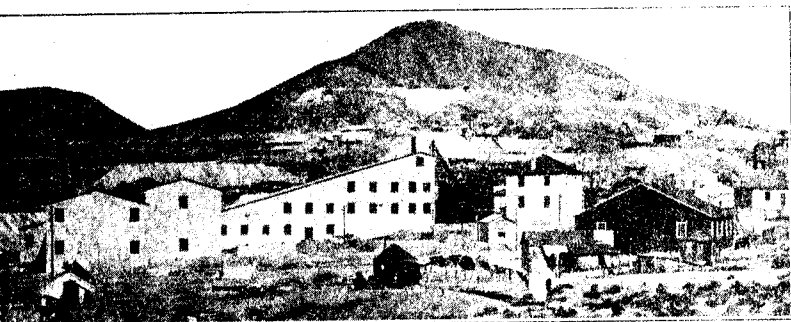
TONOPAH EXTENSION

PROBABLY there is not in all mining history a more striking example of the ability of a mining enterprise to "come back" than is afforded by Tonopah Extension. This company owned up to 1909 only 38 acres at Tonopah, lying immediately west of the Tonopah Mining Company's estate. Early showings on the property under slight development, accomplished through a shaft sunk near the eastern boundary, were of a sensational character, and the control of the company was acquired about 1906 by Charles M. Schwab, the multi-millionaire steel magnate, and associates.

Following the passing of control to the Schwab interests, Tonopah Extension stock became the most sensational feature of the Pittsburgh stock market, selling up to \$15 a share. From its surface and near-surface high-grade deposits, Tonopah Extension produced approximately \$1,250,000 in gross values prior to the end of 1906, and disbursed \$278,530 in dividends, the last of these early payments having been made in April, 1906.

With the collapse of the Nevada mining boom in the early part of 1907 there were few Tonopah companies that suffered more than did Extension. Having depended on high-grade for profits and made no provision whatsoever for the treatment of low-grade, the company's production dropped from \$859,000 in 1906 to \$225,600 in 1907, and took a still further drop in 1908, when total production was only \$119,943. In his report for the fiscal year ended March 31, 1909, John C. Kirchen, then, as now, the general manager of the property, presented its prospects in most discouraging terms, putting the total ore resources of the property at 100,000 tons of low-grade ore, a large portion of which was on the dumps or broken underground. In this report, Mr. Kirchen expressed the opinion that this mill-grade rock could be

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TONOPAH EXTENSION
The photograph shows the Company's mill, recently enlarged to 225 tons daily capacity, and the headframe at the old shaft. In the background, on the slope of Mt. Oddie, is shown the Montana-Tonopah mill, dumps, etc.

work during the period of mill construction in the hope that this amount of money by an issue of 5-year, 6 per cent bonds; and the issue was taken, and the money provided by Mr. Bernheimer and four other stockholders in the company, these five informal underwriters owning a minority of the company's capital.

No production was made by Tonopah Extension during the year 1909, all efforts being devoted to mill construction and the development of new ore. The company's mill, which is equipped with 30 stamps, employs only the sliming process for the recovery of values, concentration having been entirely discarded, and holds the record in the Tonopah District for the consistent high recovery of values. This plant was completed and placed in operation early in 1910, and in March of that year, being the first full month of its operation, earned net profits in excess of \$15,000 on the treatment of ores having a gross value of \$45,000.

The improvement in Tonopah Extension's condition following the completion of the mill was not confined to earnings alone. Being placed in funds through profits produced by milling operations, the company adopted a policy of expansion, and in 1909-10 acquired the McKane and Red Rock groups of claims, thereby increasing its property holdings from 38 acres to a total of 19 patented claims, containing 213.4 acres, and five unpatented claims containing 43.27 acres, making a total of 256.67 acres, in one compact group, stretching for considerably more than a mile westward from the western boundary of the Tonopah Mining Company property.

Having acquired this new acreage development was pushed with increasing aggressiveness, the result being that after having produced more than \$2,400,000 in values since the mill went into commission in 1910, Tonopah Extension has developed in the older portion of its workings, tributary to the old shaft, ore reserves that are now estimated to be sufficient for all mill requirements for the next three years. The years 1910-11 were made notable in Tonopah Extension history by its return to rank as a highly successful enterprise. The Bernheimer-Kirchen judgment, which dictated the construction of the mill, was splendidly vindicated, the entire issue of bonds for mill construction being retired in these years, or three years before their maturity, out of accumulated profits.

With these splendid results achieved, the company determined to open up the western reaches of its property. To this end it sunk a new shaft approximately 200 feet west and slightly north of the old workings, it being the opinion of General Manager Kirchen that in this section of the property valuable ore disclosures could be accomplished. This shaft was sunk during the fiscal year ended March 31, 1913, to a depth of 950 feet, and was splendidly equipped with the most modern electrical hoisting machinery. The total cost of this improvement, \$41,205, was charged to mining expenses during that year. As this new shaft was sunk, three levels were opened, the first at a depth of 750 feet, from which a drift was run east to connect with the 660-foot level from the old shaft.

While the bottom of the new working was in an ore-bearing formation, ore in payable quantities was not found until the latter part of last year, when there was opened what is now known as the Murray Vein, an ore-body that after a few months development takes rank as being the most extensive deposit opened in the history of Tonopah since the heyday of the Tonopah Mining Company, with the single exception of the great Belmont Vein. This vein was found in crosscutting from the 750 level, but payable values were not encountered until a depth of 820 feet below the surface had been reached through a 70-foot winze sunk from the first drift extended on the vein on the 750 level. This winze has been sunk to a depth of 315 feet, being now bottomed 1135 feet below the surface. For its entire distance it has been in ore of unusually high grade. This depth of 315 feet gives more than 500 feet of stoping backs on the dip of the vein, and drifts opened in the deposit from the winze have proved the continuity of the vein for more than 300 feet on its strike, making available a tremendous tonnage of ore.

Realizing the uneconomical aspects of operating this great deposit through a winze, General Manager Kirchen several months ago began to follow the Murray Vein on its dip by an incline shaft sunk from the 950 level, at a point 200 feet west of the winze. This incline shaft is of two compartments, and is equipped with a double-drum hoist operating a 2-ton skip in each compartment, power being furnished by a 75-horse-power electric motor that is capable of sinking to a depth of 1500 feet. This shaft is now bottomed at 1290 feet below the surface and on the 1250 level, being at the 300-foot point in the shaft, crosscuts are being extended to prove both the Murray and Hanging Wall veins. Stations are being cut out at each 100-foot point on the way down, and as soon as this work shall have been completed drifts will be run east to connect with the winze and block out the ore between the winze and the shaft. Already, on the 950 level, the Murray Vein has been drifted on for 150 feet west of the incline shaft, the face of this drift showing from 10 to 12 feet of splendid grade ore. The vein shows remarkable strength on its western course, thus indicating great possibilities in the company's western territory. This incline shaft ultimately will be continued to the 1500-foot point and probably deeper, it being the belief of the management that the Murray Vein will prove continuous in Tonopah Extension ground to at least the 1850-foot level, at which point, according to its dip, it should pass into the Tonopah Mining Co.'s Sand Grass claim. To the west of the westernmost face of the workings in the Murray Vein Tonopah Extension owns more than a mile of unprospected territory, and the strength of the vein in its western exposures leads to the belief that it will prove continuous on its western course through the major portion of this distance.

For the economical operation of this tremendous deposit, the company management is now installing electric haulage between the collar of the incline shaft on the 950 level and the 950 level station of the new West shaft, this being the first system of underground electric haulage in Tonopah. For the further proper operation of this great deposit, there is being installed at the mouth of the new shaft a great compressor plant, electric transformers, a blacksmith shop and a carpenter shop, and the capacity of the ore-sorting house is being increased. A belt conveyor is to be erected to

hauled for a profit of \$3 a ton if the company had its own mill, and recommended that a mill for its treatment be provided, or that the company abandon its operations.

It was this denouement that led to the famous denunciation of Nevada mining enterprises by Charles M. Schwab, who declared that he had been wilfully misled, not only in the case of Tonopah Extension, but in other Nevada propositions, and was compelled to count his losses in the millions of dollars.

There were those, however, who took a different view of the Tonopah Extension situation. Chief among these was the late Max E. Bernheimer, president of the company. Mr. Bernheimer considered the Tonopah Extension proposition with Mr. Kirchen, and they decided that at an expense of not to exceed \$187,500 a mill for the recovery of \$300,000 of in-sight values might be erected, and a fund provided for the prosecution of development

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carry the ore from the mouth of the new West vertical shaft to the company's mill. The capacity of this milling plant, originally 150 tons daily, has just been increased to 225 tons daily by the installation of additional tube-mills, classifiers and agitators, and, assured of many years' supply of ore by reason of developments in the Murray Vein, the management is now planning the addition of 10 stamps to the mill battery in order to bring its capacity to 300 tons daily. This addition will be completed before the end of the current year.

Up to the present time no stopes have been opened in the Murray Vein, production from the deposit, consisting of from 55 to 60 tons daily, being ore extracted in the course of development work, the removal of which is made necessary in order not to impede operations. The grade of this ore is so high that by mixing it with the lower grade product from the western workings the average gross value of the ore fed to the company's stamps has in the last two or three months been increased from around \$14 to more than \$18 a ton. This average of the mill heads can be still further increased once the Murray Vein is called upon to make a regular sustained production of its high-grade rock. The effect of these increased values in mill heads, and of the larger tonnage handled by the mill, is shown in improved earnings.

During the opening up of the Murray Vein, or for about three months during the winter of 1913-1914, Tonopah Extension operated at a deficit, and net earnings for the year ended March 31 last were only \$82,126 on account of extraordinary expenditures made for development. Because of these low earnings during the year, directors of the company felt impelled to pass the dividend due for disbursement on the stock in April of this year, dividends having been re-established in July, 1912, at the rate of $2\frac{1}{2}\%$ a share quarterly, later increased to 5c. a share quarterly by the declaration of a $2\frac{1}{2}\%$ extra dividend each quarter. Since the end of the fiscal year, owing to the very high grade of ore extracted from the Murray Vein, Tonopah Extension's profits have been running very heavy, having reached a total of more than \$30,000 monthly. Beginning with this month, when the enlarged mill shall be in full operation, these profits are expected to average not less than \$40,000 monthly.

The making of a new mine in this western ground was celebrated on May 28, when, following the annual meeting of the company, directors voted a regular quarterly dividend of $2\frac{1}{2}\%$ a share, together with $2\frac{1}{2}\%$ a share extra, and a special dividend of $2\frac{1}{2}\%$ a share, the latter being by way of partial compensation to shareholders for the payment passed in April. These dividends are payable July 1. The report for the year ended March 31, submitted at this meeting, showed that Tonopah Extension closed the year with a net surplus, after all charges and dividends, of \$353,600, of which \$299,477 was in the form of interest-bearing investments, bullion in process, amounts due for bullion shipped, and cash in bank.

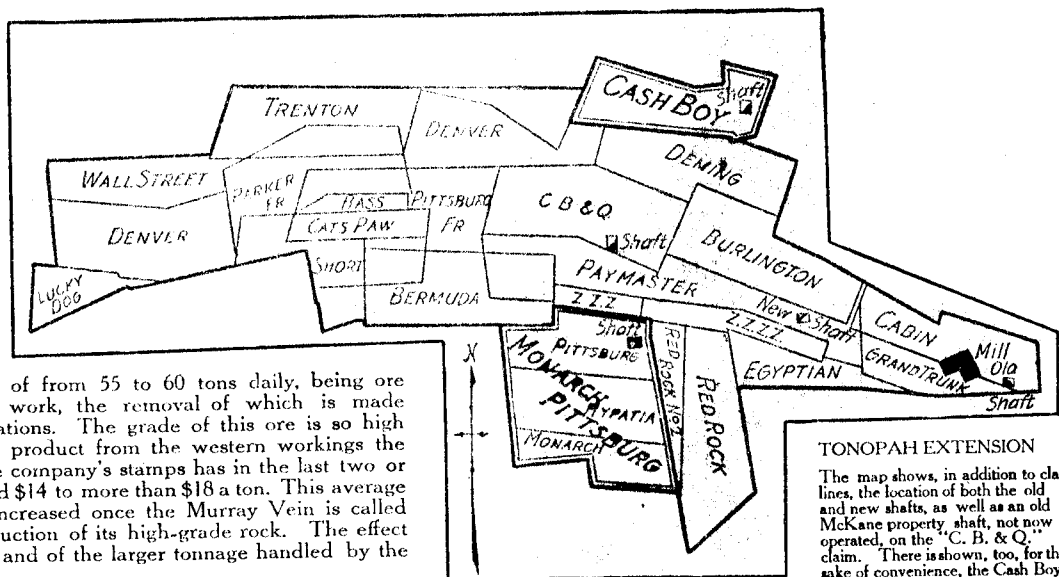
Of the future of the property since the Murray Vein has been opened, President M. R. Ward unofficially declares that millions of dollars can be taken from these new workings without the performance of an additional foot of work in advance of actual mining. In his official report to the shareholders Mr. Ward declared, in speaking of the Murray Vein: "The geological conditions here are much more favorable for large continuous ore bodies than they have been in any other part of the property opened up to date, and we are fairly well assured that these ore bodies will extend to a very great depth. The conditions, therefore, are much more favorable for profitable and economical mining than we have had at any time in the past." General Manager Kirchen is equally optimistic, declaring in his review of the operations: "Present ore exposures and prospects for future development are better than at any previous time in the history of the mine. The uniformly favorable developments on the Murray Vein indicate that it will be the best ore body we have ever opened." This story of the manner in which Tonopah Extension has "come back" since, after its first sensational flash, it degenerated into rank as an almost hopeless enterprise, is typical of what is being accomplished by aggressive development in hitherto unprospected sections of the Tonopah District. It proves indubitably that there are tremendous potentialities in the extreme western portion of that district, just as Belmont at the east, Merger at the north, and West End and Jim Butler at the south have proved similar potentialities in these directions.

It is the present opinion of expert judges of values in the Tonopah District that Tonopah Extension, with more than three years' supply of mill-grade ore in the older workings, and an, as yet, incalculable tonnage of extraordinarily high mill-grade rock in the new western workings, has already demonstrated for its outstanding capital of 943,433 shares an intrinsic value of not less than \$5 each. With the resumption of dividends on the stock, payments to be commensurate with the new earning power of the company, it is believed Tonopah Extension shortly will be accorded rank as a sterling mining investment, while the stock is being widely bought by shrewd judges of values in the expectation that the advance in market price will be productive of huge profits.

TONOPAH EXTENSION MINING CO.—Incorporated, May, 1902, in Arizona. Capital authorized, 1,000,000 shares; outstanding, 943,433 shares. Par value, \$1; full paid. Property comprises 19 patented and five unpatented claims, containing a total of 256.67 acres, located in the western portion of the Tonopah District, developed by two shafts and many thousand feet of laterals. The company owns a mill of 225 tons daily capacity, shortly to be increased to 300 tons, together with complete mining equipment at both shafts. Dividends, total to April, 1906: \$278,530; payments resumed July, 1912, at the rate of $2\frac{1}{2}\%$ a share quarterly, with bonuses of equal amount each quarter; payment due April, 1914, deferred; payments to be resumed July 1, 1914, with a disbursement of $7\frac{1}{2}\%$ a share, bringing grand total to that date to \$548,172.50. Officers: M. R. Ward, President; Samuel A. Brown, Vice-President; Lloyd E. Marsden, Secretary and Treasurer; John G. Kirchen, General Manager. Principal office: 30 Church Street, New York. Stock Transfer Agent and Registrar: Guarantee Title & Trust Company, Pittsburgh, Pa. After July 1, stock will be transferred also, by U. S. Corporation Co., New York. Price record on stock: High, prior to 1907, \$15; 1907—high \$6 $\frac{1}{2}$, low \$1; 1908—high \$1 $\frac{1}{2}$, low 40c.; 1909—high 80c., low 45c.; 1910—high \$1.11, low 67c.; 1911—high \$1.56, low 84c.; 1912—high \$3 $\frac{1}{16}$, low \$1 $\frac{3}{16}$; 1913—high \$2 $\frac{3}{4}$, low \$1 $\frac{1}{2}$; 1914, to May 1—high \$2 $\frac{19}{16}$, low \$1 $\frac{1}{2}$.

JIM BUTLER TONOPAH

JIM BUTLER is one of the older companies of the Tonopah District. While the property was credited with a production of \$50,718 in 1901, Jim Butler's success as a mining enterprise of consequence dates no further back than August, 1912. From 1901 to 1907 no production was made from the property, which embraces 271 acres lying immediately south of the eastern end of the Tonopah Mining Co.'s property. It is on this property that the Tonopah town-site is located. In 1907, Jim Butler made a gross production of \$38,454, increasing output in 1908 to \$117,723.



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From 1908 to 1911 production dwindled, the gross value of output in the latter year being only \$5018. During this period the property was operated almost entirely by leasers, and developments, which were practically confined to ground above the 300 level, showed a formation so badly faulted and fractured that profitable operations were almost impossible. The Fraction Vein opened in these shallow workings through the Wandering Boy shaft was the only ore-body of consequence developed, and the ore proved to be so erratic that mining costs were higher than the realization from shipments.

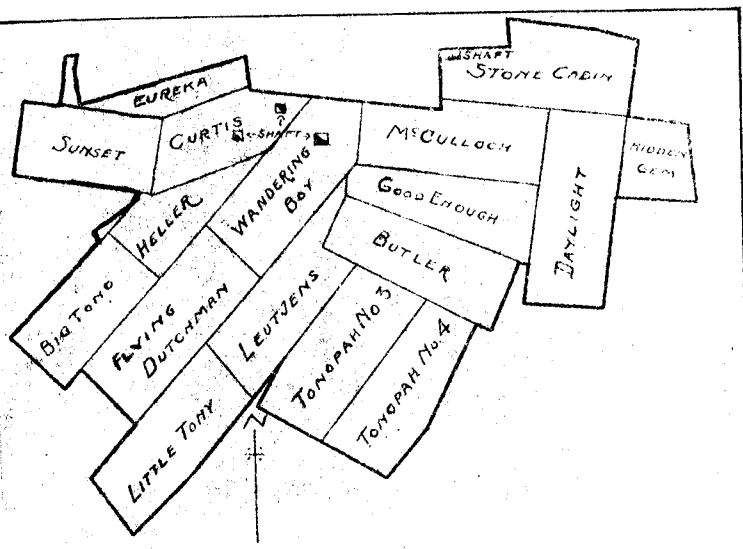
From the beginning there had been a close relationship between the dominant interests in Jim Butler and those in Tonopah Belmont, although James F. Butler, the original discoverer of Tonopah, continued to 1911 to be president of the Jim Butler Company. In the latter year, Butler retired and control of Jim Butler passed to Tonopah Belmont interests, the company being officered and directed almost identically with the Belmont Company, Clyde A. Heller succeeding Butler in the presidency, and Frederick Bradshaw, general superintendent of the Belmont Company, assuming the direction of operations on the Butler property.

From that time to the present, Jim Butler has moved forward with steady strides. Development through the Wandering Boy shaft has been carried down to a depth of 839 feet, and on the lower levels, especially the fifth, sixth, seventh and eighth, the faulting problem has been so successfully solved that the Fraction Ledge has been opened so as to guarantee an enormous tonnage of ore available for a number of years to come, with every indication at extreme depth that the deposit will gain in persistency and values as greater depth is attained. Beginning in November of last year, Jim Butler started operations in the northeastern section of this property through the Desert Queen shaft of the Tonopah Mining Co., using this shaft jointly with Tonopah Belmont. As a result of these operations, and through the driving of a crosscut through the Stone Cabin Fault, there has been opened up three splendid veins of ore of unusually high grade east of the fault. By reason of these developments, Jim Butler, which in 1912, the first year under the new management, produced gross values of \$133,900, was able in the calendar year of 1913 to raise gross production to \$415,844. Since the beginning of the current year production has been still further increased, being now at the rate of 1000 tons weekly, all of which goes to the old Belmont mill at Miller's, which is now operating almost exclusively on Jim Butler ores.

The transformation of Jim Butler from a state of practical nothingness as a mining enterprise into a big mining success is exemplified in the annual report for the year ended September 30, 1913. On September 30, 1912, the company had a cash balance of only \$2955, and was living on the proceeds of the sale of treasury stock. September 30, 1913, the company reported a balance, consisting of cash in banks and call loans, of \$125,694, a gain of approximately \$122,000 in the year. In that year there was mined and treated a total of 19,181 tons of ore, of an average assay value of \$20.02, the realization, after deducting losses for tailings, being \$345,568.66, an average of \$18.02 per ton. This production was accomplished at a total cost, including the expense of 6520 feet of development work, of \$12,674.79, giving the company an average per ton profit of \$5.35, or a total net profit on the year's operations of \$102,682. Miscellaneous receipts from the sale of machinery, interest and the proceeds of 6400 shares of treasury stock sold just after the close of the preceding fiscal year, brought the company's total receipts for the year to \$332,427.67, against which were charged disbursements of \$109,693, being chiefly mining expense, leaving the balance as stated at \$125,694.39.

Since the end of the fiscal year, Butler's operations, with a steady increase in production until the property is now shipping 1000 tons weekly, have been almost phenomenally successful. In October of last year net earnings were \$6100, increasing to \$7153 in November. The company established a new record for a single month in December, 1913, net profits being \$13,451, and another record was established in January of this year when the net was \$13,451. In February, because of the shortness of the month, showed net profits of \$12,774. In March, with production being made from the new veins in the Stone Cabin series, the net realization jumped to \$13,477, only to establish a new record in April, when profits were \$36,727. There is shown, therefore, the realization of total net profits from October 1 to April 30, being the first seven months of the current fiscal year, of \$123,539, or approximately \$23,000 more in seven months than was earned in the entire 12 months of the last fiscal year. The addition of these earnings to the treasury balance at the end of the last fiscal year has afforded Jim Butler cash resources up to April 30 of \$251,033, thereby establishing its treasury in exceptionally strong position, since against this cash possession there are chargeable no liabilities whatsoever.

As for the future, Jim Butler is able to maintain production at 1000 tons weekly. The company's treasury is very strong. Ore reserves are very extensive and net earnings are running at a rate to justify the placing of the company's shares, of which there are 1,718,021 outstanding, out of a total authorized issue of 2,000,000 shares, on a dividend basis. Unfortunately Jim Butler has been involved during the past three months in a controversy with West End Consolidated over the title to what is known as the West End-McNamara Vein. This deposit, opened by West End in its West End claim, had been followed by that company through its south side-line into Jim Butler's Eureka claim, before the Jim Butler management became aware that its boundaries had been traversed. Charges of trespass made by Jim Butler were met by West End with the assertion that it possesses the apex of this vein, and, therefore, is within its right in following it on its dip into Jim Butler ground. This matter of the ownership of this vein is now before the courts for settlement, but interests prominent in either company are working aggressively for an amicable settlement of the dispute. It is believed such a settlement will be arrived at. Whatever may be the outcome in this regard the fact stands that, irrespective of the West End-McNamara Vein, Jim Butler, through its Wandering Boy and Desert Queen shaft workings, has developed into a mine of great importance even for Tonopah; has brought into sight reserves of ore that contribute an investment quality to its shares of stock; possesses potentialities in unexplored portions of its property that make the speculative features attaching to its shares unusually attractive, and, with dividends coming into early prospect, promises during the next few months to figure as conspicuously in the market places, both as an investment and as a speculative issue, as any other Tonopah mining security.



JIM BUTLER TONOPAH MINING CO.—Incorporated under the laws of Delaware in 1903. Capital, 2,000,000 shares; par value, \$1 each; full paid and non-assessable, of which 281,979 shares are held by a trustee for the benefit of the Company. Property consists of 16 patented and two unpatented claims, comprising 271 acres, in the Tonopah District, opened by four shafts, two of which are idle, those in operation being completely equipped with hoisting, compressing and other machinery. Officers: Clyde A. Heller, President; William M. Potts, Vice-President; K. Kito, Secretary and Treasurer; Robert G. Wilson, Assistant Secretary and Treasurer; Frederick Bradshaw, General Superintendent; C. Ducheneau, Auditor. Principal office: 501 Bullitt Building, Philadelphia, Pa. Transfer office: 501 Bullitt Building, Philadelphia, Pa. Registrar of stock: Fourth Street National Bank, Philadelphia, Pa. Price record of stock: High, previous to 1907, \$25; 1907—high \$1.29, low 37c; 1908—high 46c., low 16c.; 1909—high 21c., low 9c.; 1910—high 31c., low 10½c.; 1911—high 35c., low 18c.; 1912—high 80c., low 30c.; 1913—high \$1.25, low 53c.; 1914 to May 1 high \$1.15%, low 75c.

JIM BUTLER TONOPAH ESTATE

TONOPAH: ——— Past, Present and Future

WEST END CONSOLIDATED

LIKE Jim Butler, West End Consolidated is one of the newer mining successes in Tonopah, having actually turned the corner from prospect to mine rank as late as the year 1911. While some profits were made prior to that year, 1912 and 1913 were the first years in the company's history when profits were of sizable proportions. Now that the company has emerged from the woods, it is operating with conspicuous success, net earnings being in excess of \$500,000 annually, and the mine in such condition that these can be increased almost at the will of the management in the matter of increasing reduction facilities.

The name of West End Consolidated is indissolubly linked with that of F. M. Smith, the Pacific Coast borax king, who, from the incorporation of the company in 1906, has not only wielded control over it, but who has been its principal backer, his faith in it having been demonstrated during the lean years by his action in taking treasury stock at 50c. a share in order to provide it funds with which to carry on operations when the company's stock was selling in the markets at no higher than 20c. a share. Mr. Smith has remained with the enterprise in the most loyal manner, and when he became involved in financial difficulties last year one of his principal uninvolved assets, if not the chief one, was a matter of 980,000 shares of West End stock, or more than one-half of the issued capital of 1,788,486 shares.

The West End property, consisting of a total of 184 acres, is an irregular group of claims, having its longer dimension on the northeasterly and southwesterly strike, the northeasterly claims being those on which development has been prosecuted most aggressively. These are the California, lying south of the easterly portion of Tonopah Extension ground and west of the MacNamara property, and the West End claim, which is sandwiched in between the MacNamara and the northwesterly boundary of Jim Butler, and is bounded on the east by the Burro claim of the Tonopah Mining Co.

Up to the year 1910 development work on the West End property had reached a depth of only 400 feet, production had totalled only about \$750,000 gross, and mining operations were really on a very primitive scale, the surface equipment being of small capacity, and ore being saved for shipment to smelters after having been passed through washers so that the sorters might pick the pay-rock from the waste. Conditions began to change with West End in 1910, when S. H. Brady, who had so successfully operated the Belmont property, was engaged to direct operations on this company's property. Mr. Brady, with an almost uncanny instinct for the development of ore in Tonopah properties, began immediately the work of putting West End on a mine basis. Old workings were cleared out and made ready for mine-like operations, the two shafts were sunk to greater depth and laterals opened, and by 1911 there had been brought into sight sufficient quantities of payable grade ore to justify the company in purchasing the old Midway mill, originally erected to handle 100 tons daily. This mill was bought in 1911 and practically reconstructed so as to permit it to handle the West End ores economically and profitably.

Since September 22, 1911, practically the entire output of the West End mine has been reduced at this mill, the saving of values accomplished averaging approximately 90 per cent. Twice the capacity of the mill has been enlarged, the first time in 1912, when the increase was from 100 to 150 tons daily, and in the last few months capacity has been further increased until the plant is now handling 225 tons daily, ore being conveyed from the mine to the mill, a distance of half a mile, in motor trucks which make round trips once every 15 minutes, delivering five tons of ore to the mill each trip.

Following the starting up of this mill under West End auspices, the company in 1911 produced \$304,526 in gross values, production jumping in the calendar year of 1912 to \$569,836. In the fiscal year ended March 31, 1913, gross production was \$770,876. The progress made by West End in this period is emphasized not only by these figures of increased gross production, but by the record of profits earned. In the fiscal year ended March 31, 1912, West End recorded total net earnings of \$91,995, while in the succeeding year, ended March 31, 1913, total profits were \$332,847. The report for the year ended March 31, 1914, is not yet available, but the monthly statements made by the company show that net profits from mining operations, without including miscellaneous earnings, total more than \$510,000, indicating that last year the gross production must have been very close to, or in excess of, \$1,000,000. Further emphasis is laid on this improvement by the fact that in the year ended March 31, 1912, West End, in order to meet expenditures, which included \$114,000 for the purchase and reconstruction of the old Midway mill, was a seller of treasury stock, and ended that year with cash and cash assets totalling considerably less than \$100,000, against which it had current liabilities of slightly more than \$50,000. March 31, 1913, West End Consolidated, besides reporting a vast improvement in ore reserves, in production, and in earnings, had \$183,257 in cash, bills receivable of \$6810, and bullion in transit valued at \$68,948, making total quick assets of approximately \$278,000, against which there were chargeable current liabilities of only \$35,000.

In this period, or from the time Mr. Brady assumed the management of the property, to March 31, 1912, West End developed into a big holding company, acquiring a one-half interest in the issued capitalization of the Halifax Tonopah Mining Co., its holdings March 31, 1913, in this company aggregating 732,605 shares of stock, of which 692,180 shares were acquired in exchange for 395,027 shares of West End treasury stock, and the balance taken up in satisfaction of advances made to the Halifax company, ranging from \$5000 to \$7000 monthly. West End has also acquired a three-eighths interest in the Independent Silver-Lead Mining Co., owning 18 claims in Inyo County, California. This property is under active development, and promises to become a large producer of lead and silver. The company has also extended its operations to the Yerington, Nev., district, where it is developing a copper property that promises to become an important producer, and it owns properties in other districts that are now under development.

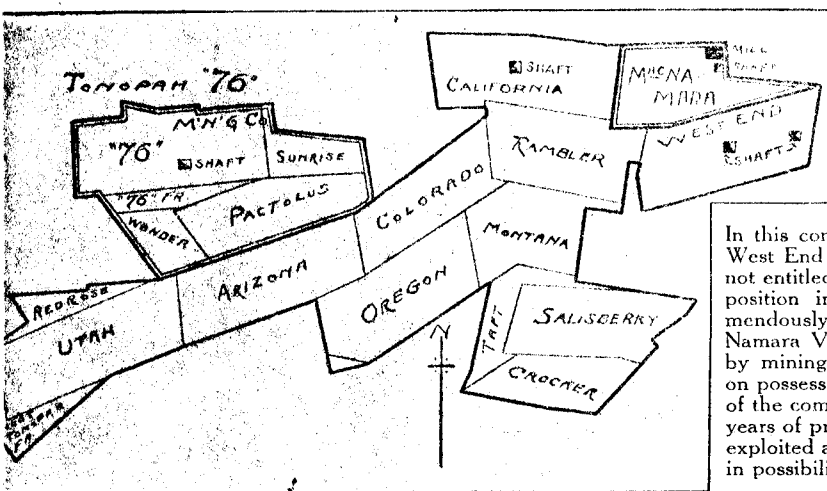
In the year ended March 31, 1914, for which the report is not yet available, but in which West End earned in excess of \$500,000, the company's mining plant was increased by the installation of heavier hoisting equipment and a great new compressor plant. Following the installation of this new equipment, West End has carried its main shaft to the 1000-foot level, and is now engaged in exploratory work on that level for the development of the downward extension of the Lower Contact Vein, a great deposit of mill-grade ore which has proved highly profitable in the upper levels of this property, as well as in the MacNamara and Tonopah Extension properties. The opening up of this vein at this depth will give West End more than 300 feet of stoping backs on its dip, and insure a tremendous addition to ore resources, which are



WEST END CONSOLIDATED MILL.

This plant, originally erected by Tonopah Midway, has been enlarged since its purchase in 1911, by West End, from 100 to 225 tons daily capacity. The plant is located at the southern boundary of the Midway property, a distance of half a mile from West End's main shaft.

TONOPAH: ——— Past, Present and Future



now estimated to be sufficient to keep the company's enlarged mill in steady operation for from four to five years, this estimate not including any of the possibilities in the West End-MacNamara Vein, the ownership of which has been in dispute with the Jim Butler Company.

The West End-MacNamara Vein lies at a very flat angle, and has been followed by West End on its dip to the south from that company's West End claim into the Jim Butler's Eureka claim, West End asserting its right to follow the vein beyond its side-lines under the apex law.

In this controversy with Jim Butler, the latter company contends that West End does not possess the true apex of this vein, and therefore is not entitled to follow it beyond its own side-lines. Should West End's position in this matter be sustained, the company would have a tremendously valuable addition to ore reserves, as the West End-MacNamara Vein is of unusual size and richness. However, it is conceded by mining experts that West End's future prosperity does not depend on possession of this vein, ore exposures and potentialities in the areas of the company's estate under development being so great as to insure years of profitable operation, while to the southwest of these presently-exploited areas the company owns a great acreage that should rank high in possibilities when brought under development.

WEST END CONSOLIDATED

In addition to showing claims and details as respects West End, map shows the MacNamara and Tonopah 76 properties, and their shaft and mill locations.

West End Consolidated, having achieved splendid mine rank, began the payment of dividends in December, 1913, making an initial disbursement of 5c. for the quarter, and raising its payment for the succeeding quarter to 10c. a share. The quarterly disbursement due in June has not yet been posted for payment, and we are informed by officials that the declaration will be withheld until the apex controversy with Jim Butler shall have been determined. There is no question of West End's ability, should it elect to do so, to continue dividends on its stock at a rate ranging from 5 to 10c. a share quarterly.

The company has had the benefit of a remarkably able and conservative management that has proceeded step by step to develop the property from a raw, unprofitable and unpromising prospect, living practically upon the bounty of President F. M. Smith, into a mine that ranks for actual worth along with Tonopah Extension, and the belief prevails that, following the disposition of the apex controversy with Jim Butler, and the announcement of a definite dividend policy, an appreciation of from 300 to 400 per cent in the market value of its shares will be registered, the stock ultimately to take rank as one of the proved and seasoned investment issues of the Tonopah district.

WEST END CONSOLIDATED MINING CO.—Incorporated, 1906, under the laws of Arizona. Capital authorized 2,000,000 shares, outstanding 1,788,486; par value, \$5; full paid. Company owns 114 acres in Tonopah, developed by two shafts, one 600 feet and the other 1000 feet deep, and has eight miles of lateral workings. Owns also the Nevada Mining Co., which owns the old Midway Mill, enlarged to a capacity of 275 tons daily, also the Santa Rosa Mine, and a lease and bond on 190 acres in the Yerington copper district, these latter being now under development. Officers: F. M. Smith, President and Treasurer; B. F. Edwards, Vice-President; Dennis C. Allen, Secretary; R. S. Cadbourne, Assistant Secretary; S. H. Brady, General Manager; C. J. Stevens, Auditor and Purchasing Agent; J. A. Rieley, Mine Superintendent; J. A. Carpenter, Mill Superintendent. Executive offices, Syndicate Building, Chicago, Ill. Registered and Transfer Co., 34 Nassau Street, New York. Dividend established December, 1913, and to March 20, 1914 (cash payment) \$268,272.91. Price record on stock: 1909—high 40c., low 20c.; 1910—high 65c., low 30c.; 1911—high 90c., low 40c.; 1912—high \$2.50, low \$1; 1913—high \$1 1/2, low 70c.; 1914 to May 1—high \$1 1/2, low 77c.

TONOPAH MERGER

FROM the financing of the Tonopah Merger Company in February, 1912, dates the big development that has taken place in the western section of the Tonopah District. This company represents a reorganization of the old Golden Anchor enterprise, one of the oldest in Tonopah, the present company having bought the Golden Anchor property at sheriff's sale and, using it as a nucleus, forming the existing organization, taking in a number of claims lying to the northward, until at the present time it owns 15 full and fractional claims, bounded on the east by Tonopah Midway and on the south and west by the Tonopah Mining, Tonopah Extension and Tonopah Victor properties.

In the earlier days of the camp, the old Golden Anchor property had been opened by a shaft to a depth of 834 feet, and four laterals were run from this shaft, the lowest, at the bottom, proving the contact between the later andesites and the ore-bearing zone to lie at about this depth. Some years ago General Manager Kirchen of the Tonopah Extension, in the course of the exploration of that ground, drove a crosscut on the 1050 level north into the Golden Anchor property, and in this manner became convinced of its potentialities.

When the time became propitious, Mr. Kirchen took a prominent part in rescuing the Golden Anchor property from the hands of the sheriff and in organizing the present company, becoming its general manager as well as one of its vice-presidents. The first offering of Tonopah Merger stock was made in February, 1912, in Tonopah, at 20c. a share, and the offering was quickly absorbed, the company thus being provided with funds for development. Mr. Kirchen continued the old shaft, and at about 935 feet dropped on to a vein which pitched to the north at an angle of about 30 degrees, and showed a right angle width of about 22 feet. The first level in this vein was opened by a crosscut from the shaft at 980 feet of depth, the second at 1070 feet and the third at 1170, the crosscut from the shaft on the 980-foot level reaching the vein in about 30 feet, and that on the 1170 intersecting it at something more than 100 feet. On the 1170 level, as well as on the 1070, this vein has been opened by east and west drifts for a distance of more than 1000 feet, the greater distance being on its westerly strike. Crosscuts northward from the 1170 west drift have disclosed the existence of two additional pay shoots, on which lateral work is now in progress. These three pay shoots form what is now known as the Merger Lode. The average grade of the rock in these deposits is of more than usual Tonopah milling value, and there are opened occasional lenses and kidneys of very rich ore. From the 1170 level upward it is estimated that there are 500 feet of stopping backs before this lode shall be lost against the contact between the early, or ore-bearing, and late, or barren, andesites.

From the 1170 west drift a winze was started to follow the downward continuation of the ore, but operations in this winze were interrupted by a very heavy flow of water—a flow that was beyond the control of the Merger's pumps. Within the past three weeks the heavier pumps installed on this level have been transferred to the Tonopah Victor shaft, which is at a depth of 1550 feet, and Tonopah Merger, Midway, Victor, Cash Boy and Extension have formed what amounts to a pumping association, the object of which is to drain these properties through the 1550-foot level

TONOPAH: ——— Past, Present and Future

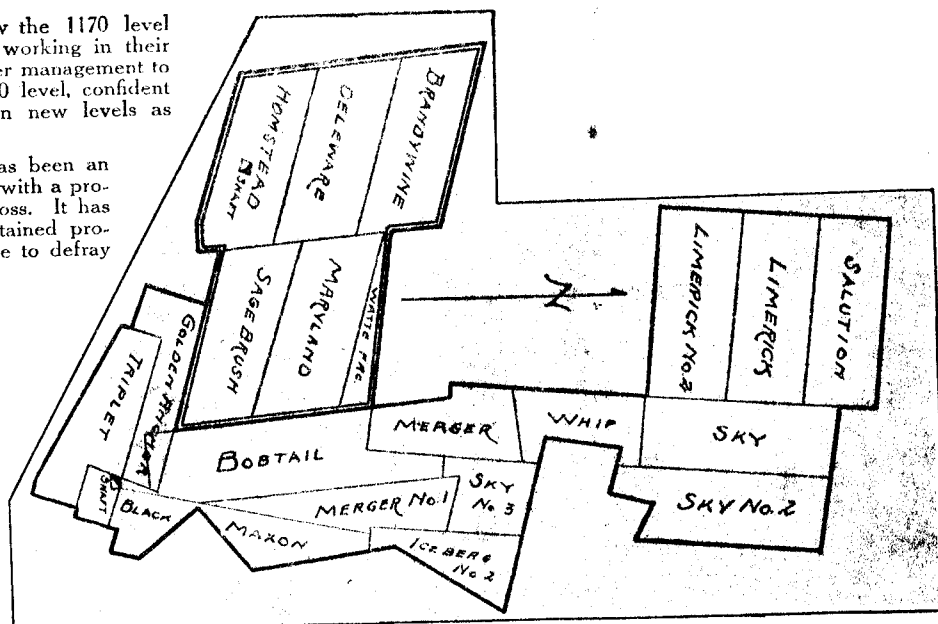
of the Victor, which is approximately 400 feet below the 1170 level of the Merger. As soon as these pumps shall be working in their new location, it is the intention of the Tonopah Merger management to continue sinking the winze from the 1170 to the 1400 level, confident that it will follow the ore to this depth, and to open new levels as additional depth is gained.

From its various workings, Tonopah Merger has been an irregular shipper for more than a year, being credited with a production during the calendar year 1913 of \$167,733 gross. It has never been the policy of the company to make a sustained production. The aim has been to output enough ore to defray development expenses, while blocking out a great tonnage of mill-grade reserves. This development work has progressed to the point where General Manager Kirchen now estimates that he will be able to take more than \$5,000,000 in gross values from the Golden Anchor claim alone, and the statement is authoritatively made that within the next 60 or 90 days, or as soon as the work of sinking the winze from the 1170 level can be satisfactorily advanced, the Merger management will take up for final settlement the question of providing a milling plant to handle the ores from this property.

The history of Tonopah Merger runs almost parallel with that of Tonopah Extension during the last few years. As on the Tonopah Extension, the object has been to provide reserves of ore that would keep a milling plant in operation for a very long period; and just as big success has been achieved in this respect at the Extension property, so it has been achieved at Tonopah Merger. The result is that at the present time, only a little more than two years after aggressive development was started, Tonopah Merger is a proved mine, ready to go to a regular basis of heavy production just as soon as a milling plant can be constructed. Funds for the construction of such a plant will be readily forthcoming, as Merger control rests with the same interests as control Tonopah Extension—interests that back their judgment to the utmost.

Tonopah Merger's stock during the past two years, or since the Merger Vein was first opened, has been a highly speculative issue, fluctuating between a low of 20¢ a share, and a high of \$1 3/4, with the price generally ruling substantially below \$1. The best judgment in the Tonopah District is that at the present time Merger shares are undervalued and that, with the achievement of a regular production basis, the stock will be quickly established as a dividend-paying and investment issue. For this reason it is very highly regarded.

TONOPAH MERGER MINING CO.—Incorporated, 1911, in Nevada. Capital authorized, 1,500,000 shares; issued (at last reports) 1,168,200 shares; par value, \$1; full paid. Company owns 15 full and fractional claims, lying north of the Tonopah Mining Co.'s Sand Grass claim, Tonopah. Developed by one shaft to a depth of 1170 feet, with extensive lateral work on the 980, 1070 and 1170 levels, and by a winze approximately 50 feet below the 1170 level. Officers: Joseph G. Butler, Jr., President; Key Pittman, F. K. Pittman and John G. Kirchen, Vice Presidents; E. A. James, Treasurer; P. S. Booth, Secretary; John G. Kirchen, General Manager and Consulting Engineer. Principal office: Tonopah, Nev. Registrar and Transfer Agent: Nevada First National Bank, Tonopah, Nev. Price record on stock: 1912—high \$1 1/2, low 20c.; 1913—high \$1 3/32, low 48c.; 1914, to May 1—high 70c., low 50c.



TONOPAH MERGER

The map shows, in addition to claim lines and shaft location as respects Merger, the same details respecting Tonopah Victor, enclosed within double lines west of Merger's Bobtail claim.

MONTANA-TONOPAH

AMONG all the Tonopah companies that are rightfully entitled to mine rank, Montana-Tonopah stands as the only one whose future as a going enterprise is doubtful. This company, originally incorporated in Utah in 1902, and reincorporated January 31, 1912, under the laws of Delaware, is one of the oldest operating companies of the Tonopah District. Among all of these companies its career has been the most checkered. The company owns about 190 acres located to the north of the eastern and richer portion of the Tonopah Mining Co. property, its ground being traversed from northwest to southeast by the Mizpah Fault, which, until 1909, was supposed to limit Tonopah's ore deposits on their eastern trend.

In the early days of the district sensational discoveries were made on the Montana property, and this company began regular production next after Tonopah Mining among all the companies of the district. From an output only slightly in excess of \$50,000 in 1904, Montana jumped its production to more than \$300,000 in 1905, and in the following year, misled as to the extent of its ore bodies, committed two grave managerial errors, one in the distribution of a dividend, and the other in determining to erect a mill for the treatment of its ores. The dividend, paid August 1, 1905, took \$100,000 out of the company treasury, and for the purpose of mill construction the company went in debt to the extent of more than \$400,000.

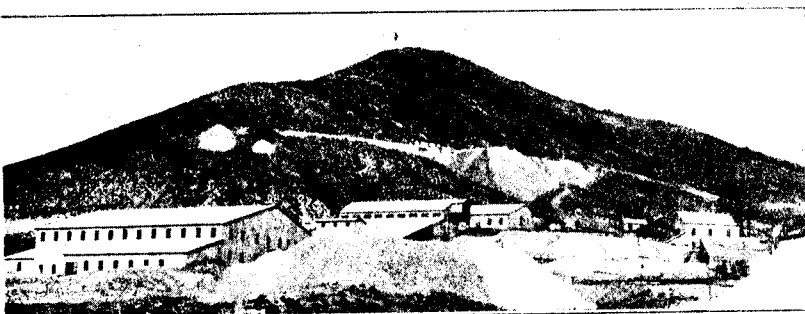
The mill scarcely had been completed and made ready for regular operations when the rich ores disappeared and the company was thrown back upon an extremely low-grade rock for its production. The sole result attained in the years from 1906 to 1910 was the liquidation of the mill debt and the accumulation of a treasury reserve that in the spring of 1910 stood at only \$100,000. Since 1910 Montana-Tonopah has maintained a production averaging around \$775,000 gross annually, its total output to the end of 1913 being valued at \$4,950,000 gross. The grade of ore fed to the mill at the rate of approximately 1000 tons weekly has averaged not much more than \$14 a ton since the mill was completed,



MONTANA-TONOPAH

Steel head-frame, ore-bins, power-house and machine shop at company's main shaft

TONOPAH: ————— Past, Present and Future



MONTANA-TONOPAH

The photograph shows the company's milling plant, and above, high up on the side of Oddie, the Tonopah North Star hoist and dump

With operations at the Tonopah property proceeding in only a fairly satisfactory manner the company management in 1911-12 determined upon a policy of expansion, and acquired 1,149,896 shares, out of a total of 2,000,000 shares, of the capital stock of the Common-Wealth Mining and Milling Co., of Pearce, Arizona, the total cost of this acquisition, which was defrayed from operating profits, being \$195,543.91. Having effected this purchase, Montana, to the end of the fiscal year, August 31, 1912, advanced \$60,074.45 to the Common-Wealth company to defray development expenses, and during the latter part of 1912 sponsored an issue of Common-Wealth Company bonds, amounting to \$250,000, which sold at 95 and netted the company \$237,500, the proceeds being used to defray the expense of providing the property with a 350-ton mill. This mill was erected during 1913, being reported completed in September of that year, but some of the machinery proving defective and the processes not entirely adaptable to Common-Wealth ores, it was not placed in regular operation until February of this year. Up to December 31, 1913, Montana, besides its investment of \$195,543 in the stock of the Common-Wealth company, had advanced to that company to defray development expenses and the cost of mill construction, over and above the amount realized on the bond issue, a total of \$216,831.14, making a total investment in this enterprise of \$412,375, all of which sum was diverted from the Montana treasury during the period of two-and-one-half years.

Reports from the Common-Wealth property are far from encouraging. On April 30, 1913, the date of the last report, the Common-Wealth management reported developed reserves totaling only 256,800 tons of an average gross value of \$5.35 per ton, the total gross value being \$1,378,000. On this in-sight tonnage, if practice demonstrates that it is possible to mine, mill and market the ore at an average cost of \$3.35 a ton, leaving \$2 a ton net profit, the net value is \$513,600. Against this net value, the Common-Wealth company is obligated for the re-payment of \$216,831, advances made by the Montana company; \$86,000 in bills payable, and the redemption of its \$250,000 bond issue, the total of these obligations being \$552,831. Repayment of these amounts necessarily must be slow. In the circumstances, with the Tonopah property earning only moderate profits, not more than enough to pay 10 or 15c a share on its 998,942 shares of issued capital, with the return of advances to the Common-Wealth company certain to be long delayed, and dividends on its holdings in that company even still more remote, Montana stock has declined from its 1912 high point at \$3.72 a share to current quotations at around 80c. a share.

Conditions with respect to the company's Tonopah operations may change during the current year, as the result of development now being undertaken in the northern portion of this property, hitherto unexplored, through the driving of a long crosscut southward from the 1200 level of the Umatilla shaft, a contract having been made by Montana with the Umatilla company for the joint use of this shaft. Until this development discloses ore possibilities in the northern section of the Montana property, the possibilities in that property are confined to the southern developed section, in which ore deposits are so erratic that in his report for the year ended August 31, 1913, General Superintendent Lawry declined to make any estimate of proved reserves.

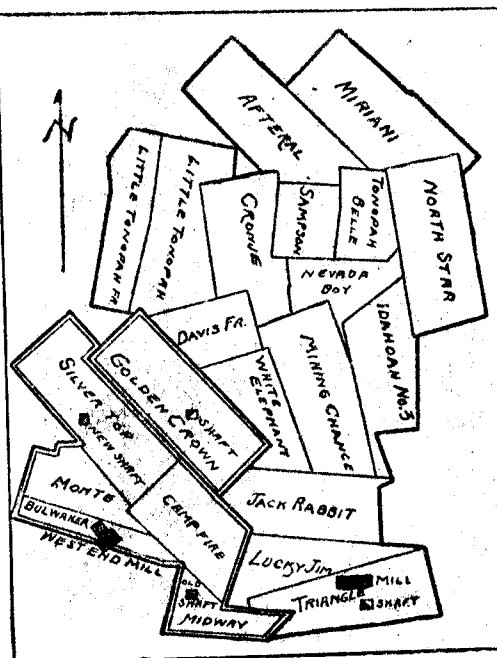
THE MONTANA-TONOPAH MINES CO.—Incorporated in Delaware January 31, 1912, succeeding the Utah corporation of the same name. Authorized capital, 1,000,000 shares; issued, 998,942 shares; par value, \$1; full paid. Company owns approximately 190 acres in the Tonopah District, completely equipped with 40-stamp mill, and 1,149,896 shares (about 60%) out of 2,000,000 shares issued capital of the Common-Wealth Mining & Milling Co., incorporated under the laws of Arizona. Officers: Charles E. Knox, President and General Manager; Henry D. Moore, First Vice-President; W. B. Alexander, Second Vice-President; M. E. McGate, Secretary-Treasurer; Arthur H. Lawry, General Superintendent. Transfer office: The Montana-Tonopah Mines Co., Tonopah, Nevada. Registrar of Stock: Tonopah Banking Corporation, Tonopah, Nevada. Dividends: Total paid to December 30, 1912, \$530,000. Price record on stock: High, prior to 1907, \$5 1/4; 1907—high \$2.05, low \$1.35; 1908—high \$1.72, low \$1.64; 1909—high 73c., low 71c.; 1910—high \$1.02, low 80c.; 1911—high \$1.07 1/2, low 68c.; 1912—high \$3.72, low 95c.; 1913—high \$1.90, low 92c.; 1914 to May 1—high \$1 7/10, low 84c.

MONTANA-TONOPAH

There is shown, in addition to the Montana-Tonopah property, with shaft and mill locations, the New Golden Crown (a single claim within double lines) and in the lower left-hand corner, within double lines, the Tonopah Midway property, with the location of both old and new shafts, and, also, the location of the West End (formerly the Midway) mill

and costs on this production have been very high, average per ton profits scarcely exceeding \$3.

Operations in the property have been confined almost entirely to the southwestern section, in the Lucky Jim, Triangle and Jack Rabbit claims, or in that portion of the property lying southwest of the Mizpah Fault. In this ground, which has been opened on regular levels to a depth of 765 feet, with a winze extending 100 feet below the 765, the formation is so badly broken and shattered that it has been almost impossible to follow ore bodies for any considerable distance, the ore appearing principally in the form of lenses and kidneys. As a result of the necessity of keeping development far ahead of production in order to have available adequate mill supplies, costs per ton have been far above the usual tonnage average.



TONOPAH NORTH STAR

RESCUED in 1912 from the hands of the sheriff, the North Star company, which owns property lying north of the Belmont and east of the Montana-Tonopah properties, was reorganized on an assessable basis and aggressive development work started. The old shaft, of small capacity and poor equipment, was in bad shape and the underground workings had been run in an almost aimless fashion. The company lived by assessments up to last year, when in April, in crosscutting into virgin ground in the company's Elaine claim, there was opened on the 930 level an ore-body which under development proved to be the extension of the Montana-Tonopah's McDonald Vein. The showing in this deposit was of a sensational character, and as it was followed down to the 1130 level, shipments began and the stock of

TONOPAH: Past, Present and Future

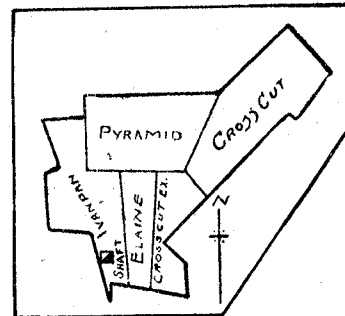
the company, which had been hanging around 17c. a share, advanced sensationally to \$1 3/32, the high point being reached in August of last year. Just as the stock touched the high point, it developed that the ore exposures had been gutted and the mine was without reserves, manipulation of the stock having attended the depletion of the reserves. As the upshot of this disgraceful disclosure, in which a gross imposition had been practiced on the mining share trading public, J. J. McQuillan was forced out of the general managership, to be succeeded by the present manager, J. W. Chandler, formerly in charge of the MacNamara, and one of the best judges of ore formations in the Tonopah District.

From that time to the present the company's efforts have been concentrated toward developing ore to permit a sustained production. More than ordinary success has been achieved in this undertaking, and indications now are that Tonopah North Star, which is shipping at the rate of 200 tons weekly, and plans to shortly increase production to 300 tons, will be established as a mine, and that its stock will be rehabilitated in public favor.

The company's report for the fiscal year ended April 30 showed a realization of profits in that period of \$45,845.85 above all expenses, and the cost of additions to plant and equipment. At the end of the previous year the company had a treasury balance of \$4,542.23. Adding the net realization from ore produced last year, total resources during the year were \$157,694.53, and after defraying all expenses, the company ended the year with a treasury balance of \$50,388.

In the last few weeks, east of the Mizpah Fault, North Star has opened a splendid deposit of ore which is now being sought on the 1130 level. Once this deposit shall have been opened at this depth, a great area of stoping backs will be afforded, and there is little question that North Star will take rank among the successfully operating Tonopah companies. Meanwhile, the shares continue to be of more than ordinarily speculative attractiveness and are active on a fair level of valuation.

TONOPAH NORTH STAR TUNNEL & DEVELOPMENT CO.—Incorporated in Nevada. Shares authorized and outstanding, 1,000,000; par \$1; assessable, 15c. paid in. Company owns 46 acres in Tonopah, developed by shaft 1250 feet deep and approximately 5000 feet of lateral work. Company reported April 30, 1914, treasury balance, \$50,388, to which should be added April and May earnings of approximately \$12,000. Officers: Herman Zadig, President; C. D. Olney, Secretary and Treasurer; J. W. Chandler, General Manager. Principal office, and transfer and registrar offices: 265 Russ Building, San Francisco. Price record on stock: 1911—high 39c., low 4c.; 1912—high 45c., low 14c.; 1913—high \$1 3/32, low 18c.; 1914 to May 1—high 45c., low 24 1/2c.



TONOPAH NORTH STAR

TONOPAH MIDWAY

(For Map See Tonopah-Montana)

TONOPAH Midway is one of the oldest of the Tonopah companies, having begun production in 1905, when it was credited with a gross output of \$219,548, increasing this amount in 1913 to \$325,068 gross. The company's property, comprising five claims, lies north of the Tonopah Mining property, east of Tonopah Merger and west of Montana-Tonopah. The company was a sensational underdog in the early days of the camp, so much so that the management was misled into the erection of a 100-foot shaft, which was sold in 1911 to West End Consolidated, and into the payment of dividends, the last disbursement in a total of \$250,000 having been made January 1, 1907. This early flurry, Midway's operations to the end of 1911 were confined to the extreme southern portion of its property, being conducted through the old shaft opened to a depth of 850 feet. On the lower levels ore deposits have proved very elusive, and late in 1911, encouraged by the showing on the adjoining Merger property, the company undertook the sinking of a new shaft on its Silver Top claim, the aim being to open the easterly extension of the Merger lode system on its dip to the northward.

This shaft, which is completely equipped, is now at a depth of 1200 feet, and extensive lateral work has been done at that level. Within the past few days, in a crosscut extended 150 feet north from the shaft, there has been opened what appears to be the eastern extension of the Merger lode, and the company's prospects are unusually bright at the moment.

This company has received staunchest support from H. C. Brougher, one of the pioneers of the Tonopah District who has stood behind it as sturdily in its lean years as he espoused its cause in its brighter years, and who still insists that ultimately a mine of consequence will be made in Midway ground. Showings at depth in the new North shaft are better than they have ever been, and experts on Tonopah geological formations are of the opinion that the new ledge recently opened will lift Midway into good mine rank.

TONOPAH MIDWAY MINING CO.—Incorporated under the laws of Arizona. Authorized capital, 1,250,000 shares; issued, 1,168,873; par value \$1; full paid. Company owns five claims in Tonopah, developed by two shafts, one 850 and the other 1250 feet deep, and by more than 30,000 feet of lateral work. Ships approximately 50 tons of ore weekly from the old workings. Officers: H. C. Brougher, President; R. P. Stenson, Vice-President; W. J. Douglas, Secretary, Treasurer and General Manager. Principal office: Tonopah, Nevada. Registrar and Transfer Agent: Tonopah Banking Corporation, Tonopah, Nevada. Dividends: Total to January 1, 1907, \$250,000; none since. Price record on stock: High, prior to 1911, \$3 3/4; 1911—high 38c., low 12c.; 1912—high 87c., low 21c.; 1913—high 57c., low 30c.; 1914 to May 1—high 50c., low 31c.

HALIFAX TONOPAH

WITHIN the next year, or two years, unless all signs are wrong, Halifax-Tonopah will be added to the regular producing and dividend-paying properties of the Tonopah District. This property, lying immediately east of the central portion of the Belmont property, consists of four claims, all patented, and has been subjected to most aggressive development since, in 1911, it was rescued from its previous poor estate by the joint action of West End Consolidated and the famous Kearns-Keith interests, the latter so conspicuously identified with Silver King Coalition of the Park City, Utah, district.

Fortified by the resources of the West End and Kearns interests, the Halifax-Tonopah management proceeded from the beginning on the theory that the property ultimately would make a mine. The shaft was lowered to a depth of 1700 feet, being the deepest working in the Tonopah District, and was equipped with hoisting, compressing and pumping machinery for the carrying on of operations on a very heavy scale. Laterals were run at intervals on the way down in the shaft, and a year or so ago the 1000-foot level crosscut picked up what has since proved to be the easterly extension of the great Belmont Vein. This vein has been drifted on for upwards of 300 feet on the 1000-foot level, and is proved on its upward extension by raises sent up in it from the 1000-foot level. Its downward extension has been picked up on the 1100-foot level and crosscutting is now in progress on the 1200, 1400 and 1700-foot levels for the development of the same ore resource, with every indication that this work will be successful.

Since the beginning of the current year, shipments have been of a sporadic nature, the present purpose of the company being to block out tonnage against the requirements of a proposed milling plant to be erected close to the

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mouth of the shaft. Plans for this milling plant, which will be of not less than 300 tons daily capacity at the outset, are now being matured, and it is believed that construction work will be well advanced before the end of the current year. Funds for this equipment will be provided by the controlling interests in the company.

Speculatively, Halifax stock is in a remarkably strong position and is especially well-regarded for the reason that approximately fourteen-seventeenths of its issued capitalization is held in such manner as to guarantee that these shares will never come on the market, leaving the floating supply in the hands of the public available for trading purposes at fewer than 300,000 shares.

HALIFAX-TONOPAH MINING CO.—Incorporated in Utah. Capital authorized, 2,000,000 shares; issued 1,739,000, of which approximately 1,465,210 shares are owned by West End Consolidated, and carried in its treasury, and by the Kearns-Keith interests of Utah; par value of stock, \$1; fully paid. Company owns four patented claims in Tonopah, developed to a depth of 1700 feet, with extensive laterals on the 1000, 1100, 1200, 1400 and 1700 levels. Property completely equipped with hoisting, compressing and pumping machinery for heavy mining; and is now contemplating the erection of its own mill for the reduction of an enormous tonnage in demonstrated reserves. Officers: F. M. Smith, President; Thomas Kearns, Vice-President; C. B. Zabriskie, Treasurer; F. J. Wescott, Secretary; S. H. Brady, General Manager. Principal office: 1008 Kearns Building, Salt Lake City, Utah. Registrar and Transfer Agent: Registrar & Transfer Co., 32 Nassau Street, New York. Price record on stock: 1912—high \$2.70, low \$1.15; 1913—high \$2, low 95c.; 1914 to May 1—high \$1¹⁵/₁₆, low 75c.

TONOPAH VICTOR

THIS company represents one of the newest of the enterprises of the Tonopah District. Following the developments in the Tonopah Merger property, a syndicate of gentlemen closely identified with the controlling interests in Tonopah Merger and Tonopah Extension purchased the extensive properties of the Tonopah Development Company and segregated therefrom six full and fractional claims lying immediately north and west of the Merger estate.

The company was adequately financed, and after being provided with a splendid surface equipment, the sinking of a shaft was undertaken. This work has been carried to the 1550-foot level, at which point a crosscut is being run to the southward to open up the extension on its dip to the north of the Tonopah Merger lode system.

In the past few weeks there has been arrived at an agreement between the Merger, Midway, Cash Boy, Victor and Tonopah Extension companies, whereby pumps of great capacity are now being installed on the 1280 level of the Victor shaft, and from this depth there will be undertaken the draining of the properties mentioned down to Victor's 1550 level.

As a mining enterprise, Tonopah Victor is still in the development class, but with the opening of an extension of the Merger lode system the shares should quickly take on investment quality.

TONOPAH VICTOR MINING CO.—Incorporated, November, 1912, in Nevada. Capital, 1,500,000 shares authorized; 1,275,000 outstanding; par value \$1; full paid. Company owns six claims in Tonopah, lying west of Tonopah Merger and north of Tonopah Extension, developed by three-compartment shaft to a depth of 1550 feet. Shaft equipped with double-drum hoist and 150 horse-power motor. Lateral work now in progress from 1550 level for development of Merger lode system. Officers: John G. Kirchen, President; Frank A. Keith, Vice-President; Key Pittmann, Vice-President and Treasurer; P. S. Booth, Secretary. Transfer and Registrar Agency: U. S. Corporation Co., New York. Stock listed, 1913, New York Curb. Price record on stock: 1913—high 38c., low 26c.; 1914 to May 1—high 35c., low 31c.

MIZPAH EXTENSION

FOR consistency in development there are few companies in Tonopah that exceed the record that has been made by Mizpah Extension, the control of which is vested with interests conspicuously identified with Montana-Tonopah.

For several years prior to Belmont's discovery of the east end of the Mizpah fault, the Mizpah Extension property had been idle. Following Belmont's development, aggressive operations were undertaken through the shaft which was sunk in the early days at the westerly extremity of the Sparrow claim, almost at the northeast boundary of Belmont's favorite claim, the Mizpah Extension property bounding the northerly claims of Tonopah Belmont on the east. In the past four years work in Mizpah Extension has been carried to a depth of 1166 feet by a winze sunk from the laterals run from the 1000-foot level in the shaft, and a great amount of exploratory work has been done, including the making of a connection with the Belmont's twelfth level workings.

For the past year funds for the prosecution of development work have been furnished by inside interests that formed a syndicate for the purchase of treasury shares, following the action of shareholders more than a year ago in increasing the company's capital from 1,250,000 authorized shares to 2,000,000 shares, the increase, 750,000 shares, being placed in the treasury for development purposes. At the present time it is admitted that Mizpah Extension's requirements for money are urgent, and there have been rumors that a reorganization of the company on an assessable basis might be effected. These rumors are denied, however, by Vice-President Charles E. Knox, who declares that funds will be provided in the future by the syndicate as in the past.

The stock has been highly speculative, ranging from a low at 7c. a share, at about the time of the Belmont discovery, to as high as \$1.70 a share, recorded in 1912, receding from this high figure to present level. The stock is to be considered purely as a speculative issue, although the company's ground is to be regarded as of potential worth.

MIZPAH EXTENSION COMPANY OF TONOPAH.—Incorporated in Delaware. Capital, 2,000,000 shares authorized; par value, \$1; non-assessable. Reserved in the treasury, 470,184 shares of common stock, and 280 shares of preferred. Company owns 10 full and four fractional claims, approximately 250 acres, in Tonopah. Officers: John F. Braun, President; Charles E. Knox, Vice-President and General Manager; William P. M. Braun, Treasurer; Charles F. Griffith, Secretary; Arthur H. Lawry, Superintendent. Principal office and stock transfer office: 651 Bullitt Building, Philadelphia. Price record on stock: 1910—high 32c., low 10c.; 1911—high 86c., low 30c.; 1912—high \$1.70, low 50c.; 1913—high 80c., low 25c.; 1914 to May 1—high 60c., low 30c.

CONCLUSION

WE have presented in the foregoing pages the past, present and future of Tonopah in a manner that will, we believe, make it possible for the investor in mining shares to readily discern those issues of the district that are of investment quality, while the speculative features with respect to many of the issues of the district are defined. The possibilities at Tonopah for both investment and speculative profits are so broad that we fail to appreciate, as possessing even the faintest resemblance to wisdom, commitments in Tonopah issues that carry with them anything more than the ordinary hazards attaching to mining investments and speculations. Opportunities in those issues that offer full security for the principal of the investment, an immediate or future fair investment yield, and broad speculative possibilities, are so attractive that we advise commitments in these issues only, counselling the readers of this brochure to avoid the extra hazardous stocks. *We shall be pleased to receive orders on those Tonopah issues which are commended herein, either for investment or speculation.*

41 Broad Street
New York City
June 4, 1914

CHARLES A. STONEHAM & CO.

Information contained herein has been gathered from sources deemed reliable, but we do not guarantee its accuracy.